

## **APPENDIX I**

### **SECTOR: Security and Law Enforcement**

Iraq's Ministry of Defense (MoD) and Ministry of Interior (MoI) have assumed greater responsibility for security operations since the July 2207 Report. Military and police operations conducted by independent Iraqi forces are becoming a reality. Nearly 300,000 personnel have now been trained and equipped for service in the military and police. As of September 18, 114 Iraqi Army Combat and Strategic Infrastructure Battalions and 27 police battalions conduct counter-insurgency operations. There are about 92 Iraqi Army and Special Operations battalions capable of operating "in the lead" or independently.

Approximately 88 Iraqi Army battalions and two police battalions control their own areas of responsibility. The MoD has accepted the lead in contracting basic logistical sustainment efforts (life support) for the various military installations throughout Iraq. Furthermore, the Iraqi Ground Force Command (IGFC), a corps-level ground force command headquarters, assumed operational control of the 4<sup>th</sup> and 8<sup>th</sup> Iraqi Army Divisions, and currently directs their daily operations.

Significant advances have been made in the area of institutional training by both the MoI and MoD. The MoI 2006 Training Plan establishes a common training standard throughout the Iraqi Police Service (IPS) and places great emphasis on human rights, ethics, and the rule of law. Based on current plans, the IPS's nine police academies and the National Police and Department of Border Enforcement academies will transfer to Iraqi control by the end of the year. The development of professional ethics (the United Nations code of Conduct for Law Enforcement Officials) is included in the basic training syllabus for Iraq's police forces. This is considered essential for a relationship between ethical behavior and effective police service. The Center for Professional Ethics and Leadership will be established by the end of 2006.

The MoD is also taking greater responsibility for training and developing its forces. Force structure and policies are being developed and defined to meet the training needs of the Iraqi Armed Forces (IAF) through 2011. The development of the Iraqi Training Doctrine Command (ITDC) continues. The goal is to have the ITDC fully established by January 1, 2007. Many of the IAF's training battalions, regional training centers, and specialist schools are well established and operating with minimal Coalition training support. The Iraqi Center for Military Values and Principles and Leadership (ICMVPL) was established in February 2006. The ICMVPL will ensure that the IAF conforms to the values and standards of basic human rights and the laws. To date it has designed a program of instruction which will ensure that the subject is included in all institutional, individual and collective training.

### **Ministry of Interior Forces Overview**

Nearly 170,000 personnel have been trained and equipped for service in police services under the MoI. Its civil security force structure objective is 188,200 by the end of 2006. MoI forces consist of the Iraqi Police Service, including the former Iraqi Highway Patrol; National Police (formerly Special Police, comprised of the Police Commandos, the Public

Order Police, and the Mechanized Brigade); Emergency Response Unit; the Department of Border Enforcement; and the Center for Dignitary Protection. The Civilian Police Assistance Training Team (CPATT) continues to train, equip, and professionalize the Iraqi police forces. CPATT continues to concentrate on the development of MoI's capability to support and direct its forces.

**Iraqi Police Service:** Concerted efforts are being made to increase the training capacity of the Iraqi Police Forces. To date, nearly 120,000 police have been trained and equipped.

**Border Forces:** During this quarter, the Department of Border Enforcement (DBE) continued to show progress towards Iraqi control of the borders. Over 27,000 DBE personnel have been trained and equipped.

**National Police:** Approximately 24,000 National Police (formerly Special Police) have been trained and equipped and continue to improve their abilities as a national, rapid-response force capable of countering armed insurgency, providing support to local civil security forces, and operating as a "bridging" force between Iraqi Army and regular Provincial/Iraqi Police. The 1<sup>st</sup> and 2<sup>nd</sup> National Police (NP) Divisions (formerly the Command and Public Order Division) have standardized personnel and equipment authorizations and are working to standardize their Mission Essential Tasks to focus on civil support operations. The NP Divisions have reached their authorized number of 2,400 personnel each and they continue to train, equip, and deploy police forces to fill existing units.

### **Ministry of Defense Forces Overview**

More than 115,000 Ministry of Defense (MoD) personnel have been trained and equipped for the Iraqi Army (IA), Iraqi Special Operations Forces (ISOF), Strategic Infrastructure Battalions (SIBs), Navy, Marines, and Air Force.

**Logistics Support:** Each of the nine light infantry divisions in the Iraqi Army is authorized one motorized transport regiment (MTR) to deliver material from operational-level support bases down to tactical units. A total of seven MTRs have reached initial operating capability (IOC) and have been partnered with MNF-I's Corps Support Command. They have commenced operational missions and supply sustainability exercises. The remaining two MTRs are undergoing force generation and are expected to be at IOC by the end of 2006.

**Training:** The Iraqi Armed Forces training system is made up of nearly thirty schools designed to train basic recruits, teach specialty skills, and provide professional development and leadership skills. The basic training system remains under the command of the Iraqi Training Brigade and includes three Iraqi Training Battalions. New recruits attend a five-week program of instruction at either Kirkush or Numaniyah Military Training Base. Upon graduation, recruits receive an additional three to seven weeks of specialized training depending upon their military occupational skill assignment. This specialized training develops infantry, supply, armor, communications, administration, transportation, maintenance, and military police skills, among others. Training initiatives such as the

Military Intelligence School, Signal School, Iraqi Army Service and Support Institute (IASSI), and Engineer School have been implemented and continue to graduate personnel.

A system of Regional Training Centers (RTCs) and the Non-Commissioned Officer Academy focus on junior leader development. The newly established Sergeants Major Course and Chief Warrant Officer Course have been added to the NCO Professional Education System. Three Iraqi Military Academies at Zakho, Qualachulon, and ar-Rustimiyah are conducting officer training. The one-month Former Officer Course (FOC) continues to emphasize human rights, ethics, and counter insurgency (COIN) operations.

**Air Force:** Approximately 800 Iraqi Air Force (IqAF) personnel have been trained and equipped for six squadrons: two helicopter battlefield mobility squadrons, two air surveillance squadrons, one helicopter refresher training squadron, and one air transport. Since the last report, the 23<sup>rd</sup> Transport Squadron's three C-130E aircraft completed their isochronal (major inspection on the aircraft - expensive and intensive) inspections at Abu Dhabi and are moving troops and equipment regularly. The sixteen Huey helicopters are currently being upgraded to Huey IIs in Ozark, Alabama and should return to Iraq by February 2007. There are six CH-2000 helicopters flying daily missions from Kirkuk Air Base. Iraqi pilots are beginning to train on Mi-17 helicopters procured by the MoD. In addition, the IqAF has identified its top candidate supplier for Intelligence, Surveillance, and Reconnaissance (ISR) aircraft.

**Navy and Marine Operations:** Iraqi Navy and Marines (IqN/M), in conjunction with Coalition maritime forces, conduct offshore oil platform security, anti-smuggling, anti-terrorist, and anti-piracy operations in the Northern Arabian Gulf. Approximately 1,100 personnel have been trained and equipped for the IqN/M. Poor infrastructure development at the IqN base continues to be a problem.

## LAW ENFORCEMENT

### Police Training and Technical Assistance Project Code: 10000

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	1,040	768	-	-2	-	-	1,806	1,783	1,595
Change from July	-	-	-	-	-	-5	-5	+16	+67
October 2006	1,040	768	-	-2	-	5	1,801	1,799	1,662

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense, Department of State, with some funds transferred to Department of Justice

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$5.4 million. Funds have been reallocated to Civil Aviation (PC 70000) \$5.3 million and Transmission (PC 41000) \$100,000.

**Accomplishments since the July Report:**

- Completed construction of Special Police Regiment Facilities at Taji (\$44.7 million).
- Completed construction on Emergency Response Unit Dignitary Protection Training Site in Baghdad (\$14 million).
- Completed Karmah Patrol Police station in Falluja (\$381,000).
- Completed construction of the Baiji District Joint Communications Center (JCC). The JCC coordinates police and fire response in Baiji (\$373,000).
- Completed the Hay-Rafat local police station in Al Qadissiya province (\$98,000).
- Completed the Northeast Patrol Station in Falluja (\$2.9 million).
- Completed construction of Commando Sites 4 and 6 in Baghdad (\$24 million).
- Delayed completion of the Baghdad Police College due to contract issues, options are under consideration (\$42.0 million).

**Accomplishments anticipated next quarter:**

- Complete the Hamiya police station (\$538,000).
- Complete the Waffa local police station in Najaf (\$159,000).
- Complete the Tahrir IPS in Baqubah (\$500,000).
- Complete the Saqawiha Patrol Police station in Falluja (\$559,000).
- Complete the Southwest Police Patrol Station in Falluja (\$2.4 million).

**Border Enforcement**  
**Project Code: 11000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	260	177	-	-	-	-	437	431	393
Change from July	-	-	-	-	-	-2	-2	+2	+11
October 2006	260	177	-	-	-	-2	435	433	404

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/U.S. Army Corps of Engineers, Gulf Region Division (GRD)

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1.7 million, reallocating funds to Transmission (PC 41000) \$726,000 and Basra Children's Hospital (PC 91500) \$950,000.

**Accomplishments since the July Report:**

- Completed force protection modifications at the Rabea Class A Land Port of Entry (\$232,000).
- Completed construction on six border forts (part of a \$2.2 million project).
- Completed construction at the Rabea Class A Land Port of Entry and force protection (\$1.3 million).

**Accomplishments anticipated next quarter:**

- Completion of modifications at the Rabea Class A Land Port of Entry (\$307,000).
- Complete contract close out.

**Facilities Protection Service (FPS)**  
**Project Code: 12000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	53	0	-	-	-	-	53	51	39
Change from July	-	-	-	-	-	-2	-2	-	+7
October 2006	53	0	-	-	-	-2	51	51	46

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1.9 million, reallocating funds to Transmission (PC 41000). This project code was reported closed in the April 2207 report.

## **NATIONAL SECURITY- IRAQI ARMED FORCES**

### **Iraqi Armed Forces Facilities**

**Project Code: 20000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	602	129	-	-	-	-	731	727	708
Change from July	-	-	-	-	-	-2	-2	+2	+5
October 2006	602	129	-	-	-	-2	729	729	713

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$2 million, reallocating the funds to Basra Children's Hospital (PC 91500).

### **Accomplishments since the July Report:**

- Completed construction of facilities for 250 soldiers of the 9<sup>th</sup> Division Headquarters in Taji (\$2.3 million).
- Completed construction of facilities for 250 soldiers of the 8<sup>th</sup> Division Headquarters in Diwaniya (\$1.6 million).
- Completed construction of facilities supporting a transportation battalion in Numiniyah (\$5.0 million).
- Completed renovation of utilities in Habbaniyah (\$5.0 million).
- Completed sewer and water upgrades at the 8th Division at Diwaniya (\$25,000).

### **Accomplishments anticipated next quarter:**

- Close out of contracts.

**Iraqi Armed Forces Equipment**  
**Project Code: 21000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	606	23	-	-14	-	-	615	605	579
Change from July	-	-	-		-	-6	-6	+4	+4
October 2006	606	23	-	-14	-	-6	609	609	583

NOTE: Obligation and Outlay Data is current as of Sept 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$5.8 million, reallocating the funds to Basra Children's Hospital (PC 91500) \$2.9 million and Transmission (PC 41000) \$2.9 million. This project code was closed out in the April 2207 report.

**Iraqi Armed Forces Training and Operations**  
**Project Code: 22000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	394	35	-	2	-	-	431	417	394
Change from July	-	-	-	-	-	-12	-12	+2	-4
October 2006	394	35	-	2	-	-12	419	419	389

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$11.5 million, reallocating the funds to Basra Children's Hospital (PC 91500) \$8.9 million, Civil Aviation (PC 70000) \$2.4 million and Transmission (PC 41000) \$179,000. This project code was closed out in the April 2207 report.

**Iraqi National Guard Operations and Personnel**  
**Project Code: 23000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	159	66		-	-	-	225	215	194
Change from July	-	-		-	-	-	-	+1	+6
October 2006	159	66		-	-	-	225	216	200

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$32,000, reallocating the funds to Transmission (PC 41000). This project code was closed out in the April 2207 report.

**Iraqi National Guard Equipment**  
**Project Code: 24000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	81	11	-	-	-	-	92	89	88
Change from July	-	-	-	-	-	-2	-2	-	-
October 2006	81	11	-	-	-	-2	90	89	88

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$2.2 million, reallocating the funds to Transmission (PC 41000). This project code was closed out in the April 2207 report.



**Iraqi National Guard Facilities**  
**Project Code: 27000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	359	-	7	-	-5	361	355	341
Change from July	-	-	-		-		-	+5	+5
October 2006	-	359	-	7	-	-5	361	360	346

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$361 million allocated to Iraqi National Guard Facilities.

**Accomplishments since the July Report:**

- Completed construction of facilities for 750 soldiers of the 4<sup>th</sup> Battalion, 1<sup>st</sup> Brigade, 2<sup>nd</sup> Division at FOB 7 outside Samara (\$11.1 million).
- Delayed, due to security issues, construction of facilities for 250 soldiers of the 4<sup>th</sup> Brigade, 10<sup>th</sup> Division Headquarters at FOB Sparrow in Al Amarah (\$6.6 million).
- Delayed, due to security and contract issues, construction of facilities for 1,500 soldiers of the 2<sup>nd</sup> and 3<sup>rd</sup> Battalions of the 2<sup>nd</sup> Brigade, 1<sup>st</sup> Division in Habbaniyah (\$6.2 million).
- Completed construction of facilities for 750 soldiers of the 3<sup>rd</sup> Battalion of the 2<sup>nd</sup> Brigade, 2<sup>nd</sup> Division in Hammal Al Alil (\$9.2 million).
- Completed construction of the Az Zubar Explosive Ordnance School (\$3.1 million).
- Completed construction utility upgrades and maintenance facilities at the Umm Qasr dry-dock (\$722,000).

**Accomplishments anticipated next quarter:**

- Complete construction of facilities for 250 soldiers of the 4<sup>th</sup> Brigade, 10<sup>th</sup> Division Headquarters at FOB Sparrow in Al Amarah (\$6.6 million).
- Complete construction of facilities for 1,500 soldiers of the 2<sup>nd</sup> and 3<sup>rd</sup> Battalions of the 2<sup>nd</sup> Brigade, 1<sup>st</sup> Division in Habbaniyah (\$6.2 million).

**Iraqi Security Forces Quick Response Program**  
**Project Code: 26000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	40	130	-	-7	-	-	163	158	152
Change from July	-	-	-	-	-	-	-	+5	+4
October 2006	40	130	-	-7	-	-	163	163	156

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$163 million allocated to Iraqi Security Forces Quick Response Program.

**Accomplishments since the July Report:**

- Delayed project to renovate and improve security at National Police Academy in Baghdad due to security issues (\$963,000).
- Delayed completion of a fuel cleaning and storage point due to security issues. The cleaning and storage point will ensure fuel is of a better quality and on-hand as needed in Umm Qasr (\$910,000).
- Replenished Iraqi Army Kevlar helmet supplies (\$977,000).
- Completed program allowing for Iraqi Police vehicles to be used for daily missions throughout Falluja (\$871,000).

**Accomplishments anticipated next quarter:**

- Complete project to renovate and improve security at National Police Academy in Baghdad (\$963,000).
- Complete fuel cleaning and storage point to ensure fuel is of a better quality and on-hand as needed in Um Qasr (\$910,000).

**Nonproliferation and Export Control and Border Security**  
**Project Code: 09600**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
April 2006	-	-	-	3	-	-	3	1	1
Change from April	-	-	-	-	-	+2	+2	+4	-
July 2006	-	-	-	3	-	+2	5	5	1

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State, Bureau of International Security and Nonproliferation (ISN)

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to increase this project code by \$2.5 million, reallocating funds from Democracy (PC 0600) and Vocational Training (PC 02001) to Nonproliferation and Export and Border Security Control (PC 09600) to support dismantlement and disposal of Iraq's former nuclear facilities and inventory management of Iraq's nuclear material (mostly yellowcake).

The Iraqi WMD Expertise Redirection Program's goal is to redirect Iraqi scientists, technicians, and engineers with WMD and missile expertise to sustainable civilian employment in support of national reconstruction. This is accomplished through job placements, providing career transition assistance in the form of workshops, seminars, and collaboration with western counterparts, paying monthly stipends to approximately 150 key Iraqi weapons development personnel, and funding Iraqi scientists', technicians', and engineers' science-based reconstruction projects. The Export and Border Security Control program's overall goal is to combat the proliferation of Weapons of Mass Destruction, associated delivery systems, conventional weapons and related goods, and technologies. The Nuclear Facility Dismantlement Project provides advice and guidance from U.S. government experts and other support to the International Atomic Energy Agency (IAEA)-coordinated international program to help Iraq dismantle the former regime's nuclear facilities. The yellowcake project provides assistance to Iraq in meeting its IAEA safeguards obligations related to its nuclear material and to facilitate the eventual sale of the yellowcake and removal from the country.

**Accomplishments since the July Report:**

**Department of State, WMD Expertise Redirection Program:**

- August 2006: The Director of the Iraqi International Center for Science and Industry (IICSI) attended training in London; one participant in the 2006 Rebuild Iraq Conference traveled to Washington, DC; Atlanta, Georgia; Dallas, Texas; and Lubbock, Texas to meet with potential business partners.

- September 2006: Fourteen Iraqis traveled to Irbid, Jordan for training in Molecular Diagnosis of Pathogenic Microorganisms; one participant in the 2006 Rebuild Iraq Conference traveled to Amman to continue work on the Non-Destructive Evaluation Center Project; one scientist traveled to Irbid for a month-long training in diagnostic laboratory management.
- Continued operation of IICSI: \$339,750

Scientist stipends: \$180,000

Scientist travel support: \$90,000

Staff salaries: \$45,000

Short-term education/training grants (local): \$2,250

Operating expenses: \$22,500

#### **Department of State, Export and Border Security Control:**

- The \$1 million received is funding the purchase of equipment to be deployed to the Baghdad and Najaf International Airports to provide advanced detection of illicit materials. The equipment - Rapiscan 527DV baggage and parcel inspection x-ray systems - are under contract and the procurement is proceeding. In addition, we have ordered eighteen CT-30-10 kits.

#### **Department of State, Nuclear Facility Dismantlement and Yellowcake**

- Obtained project approval in Washington and Baghdad. Completed Congressional CN and obligation of funds.

#### **Accomplishments anticipated next quarter:**

#### **Department of State, WMD Expertise Redirection Program:**

- Two scientists will travel to the American Biological Safety Association's Annual Biosafety Conference; the DOS/DOE/U.S. Civilian Research and Development Foundation/Sandia National Laboratories-sponsored Iraq Research and Development Initiative will announce the winners of its first proposal competition.
- Respond to the increasing threats against Iraqi WMD and missile scientists, technicians, and engineers to ensure they are not tempted to emigrate to proliferant states or work with insurgents.
- Conduct business training for Iraqi scientist-, technician-, and engineer-entrepreneurs with WMD expertise.
- Award a grant to Iraqi scientists, technicians, and engineers to create a scientific journal and e-newsletter, which will form the basis of a professional society and increase DOS'

ability to locate Iraqi scientists, technicians, and engineers who have fled the country, as well as networking among Iraqi scientists.

- Begin an equipment clearinghouse program to donate used laboratory equipment from U.S. laboratories to Iraqi institutions in order to rebuild laboratories and create additional employment opportunities for Iraqi scientists, technicians, and engineers.
- Continue to operate the IICSI: \$339,750

Scientist stipends: \$180,000

Scientist travel support: \$90,000

Staff salaries: \$45,000

Short-term education/training grants (local): \$2,250

Operating expenses: \$22,500

#### **Department of State: Nuclear Facility Dismantlement and Yellowcake**

- Sponsor two international working group meetings in Vienna with IAEA and Iraqis to develop action plans.
- Assist in IAEA Safeguards inspection of nuclear material at Tuwaitha.

#### **Focused Stabilization**

**Project Code: 08500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	-	-	30	-	-	30	30	-
Change from July	-	-	-	-	-	-	-		
October 2006	-	-	-	30	-	-	30	30	-

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency: USAID**

**Changes from the July Report:** This report maintains the \$30 million allocated to this project code. The objective of the program is to support economic stabilization efforts by supporting employment, skills training, and business development programs.

#### **Accomplishments since the July Report:**

- Completed the Focused Stabilization/Community Stabilization Program work plan and contract was awarded.

- Initiated employment activities in three Baghdad districts in support of the Baghdad Security Plan.
- Prepared curricula for vocational training and construction trades training in three Baghdad districts. Certified ten trainers and enrolled 1,500 in training programs.
- Processed and approved 35 micro-enterprise projects and began business skills training programs with Iraqi NGOs.
- Established interagency coordination mechanisms with relevant stakeholders including the appropriate Provincial Reconstruction Teams (PRTs), U.S. Embassy and U.S. Military, and local government and community groups regarding the program's geographic focus, accomplishments, and progress metrics to improve overall Focused Stabilization efforts.

#### **Accomplishments anticipated next quarter:**

- Expand Focused Stabilization/Community Stabilization activities into additional focus neighborhoods in coordination with the Baghdad PRT, local government, and community organizations. This will include approval and implementation of new community quick impact projects in Baghdad focus neighborhoods. Individuals shall be employed in projects such as cleanup campaigns; rehabilitation, cleaning and painting of schools; curbstone painting, planting of trees, and gardening, etc.
- Expand vocational training and apprenticeship programs, including the identification of additional centers to address neighborhood demand for training. Trainees will receive skills training in areas such as masonry, carpentry, painting, wiring, and plumbing.
- Expand training courses in business topics (secretarial and office managerial skills, IT and ESL).
- Expand micro-, small-, and medium-enterprise activities.
- Expand to additional urban areas if requested by the Executive Steering Committee.

#### **Commander's Humanitarian Relief & Reconstruction Project Code: 28000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	86	-	-	-	-	86	86	67
Change from July	-	-	-	-	-	-	-	-	+2
October 2006	-	86	-	-	-	-	86	86	69

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/Multinational Force-Iraq (MNF-I)

**Changes from the July Report:** This report maintains the \$86 million allocated for the Commander's Humanitarian Relief and Reconstruction Projects (CHRRP).

**Accomplishments since the July Report:**

- Continued Qubaidy sewer system renovation, currently 85% complete. Scheduled for completion January 2007 (~\$15 million).
- Continued Kamalay sewer system renovation, currently 89% complete. Scheduled to be completed February 2007 (~\$25.4 million).
- Completed Kirkuk water pressure Zone 5 distribution, one kilometer, 100 meter pipe with 2X valves. Project completed on August 19, 2006. Total funds dispersed \$468,000.
- Continued Al Alath Water Project in Isahki, Salah al-Din (\$505,000).
- Continued construction of Altun Kapri water tower (\$92,000).
- Continued construction of Kalwar water tower (\$92,000).
- Completed Al Abayachi Water Project (\$331,000).
- Continued Balad Train Station water project, project is 90% complete (\$620,000).

**Anticipated accomplishments next quarter:**

- Complete Al Alath Water Project in Isahki, Salah al-Din (\$505,000).
- Complete Altun Kapri water tower (\$92,000).
- Complete Kalwar water tower (\$92,000).
- Complete Balad Train Station water project (\$620,000).

**SECTOR: Justice, Public Safety Infrastructure, and Civil Society**

**Other Technical Investigative Methods**

**Project Code: 31000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	5	-	-	-	-3	-	2	1	1
Change from July	-	-	-	-	-	- 1	- 1	-	-
October 2006	5	-	-	-	-3	-1	1	1	1

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Departments of Defense and State, with some funds transferred to the Department of Justice.

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1 million, reallocating funds to Basrah Children's Hospital (PC 91500) to support the completion of the project. This project code was closed as of July 2006.

**Witness Protection Program**

**Project Code: 30000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	40	-3	-	-	-	-1	36	36	10
Change from July	-	-	-	-	-	-	-	-	+1
October 2006	40	-3	-	-	-	-1	36	36	11

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Departments of Defense and State, with funds transferred to the Department of Justice (DOJ)

**Changes from the July Report:** This report maintains the \$35 million allocated to support a Witness Protection Program and the \$1 million for Commission on Public Integrity (CPI). CPI activities were closed in July 2006.



**Accomplishments since the July Report:****DoD**

- Started construction on the witness security facilities in Baghdad's Rusafa District (\$2.5 million).
- Completed construction of the witness security facility in Baghdad's Al Karkh District (\$2.5 million).

**Anticipated accomplishments next quarter:****DoD**

- Deliver surveillance equipment, weapons, ammunition, and gear for the CPI (~\$893,000).

**Penal Facilities****Project Code: 32000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	100	-13	-	-	-	-	87	85	43
Change from July	-	-	-	-	-	-	-	+2	+8
October 2006	100	-13	-	-	-	-	87	87	51

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report maintains the \$87 million allocated for penal facilities, specifically for the Maximum Security Correctional Facility in Nasiriyah.

**Accomplishments since the July Report:**

- Continued construction of 800-bed Nasiriyah correctional facility under bridge contract.
- Awarded direct contract to complete the Nasiriyah correctional facility.
- Awarded direct contract to upgrade the sewer system at the Rusafa Prison Complex.
- Awarded direct contract to upgrade the force protection at the Rusafa Prison Complex.

**Accomplishments anticipated next quarter:**

- Continue construction of 800-bed Nasiriyah correctional facility.

- Complete the sewer upgrades and force protection at the Rusafa Prison Complex.

## **Reconstruction and Modernization of Detention Facilities**

**Project Code: 33000**

<b>\$ millions</b>	<b>FY 2006 by Quarter</b>								
<b>2207 Report</b>	<b>FY 04</b>	<b>FY 05</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>	<b>Obligated</b>	<b>Outlayed</b>
July 2006	135	30	-	2	39	-	206	167	81
Change from July	-	-	-	-	-	-	-	+39	+8
October 2006	135	30	-	2	39	-	206	206	89

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Departments of Defense/GRD, Justice-International Criminal Investigative Training Assistance Program (ICITAP), and State

**Changes from the July Report:** This report maintains the \$206 million allocated to Reconstruction and Modernization of Detention Facilities.

### **Accomplishments since the July Report:**

#### **DoD/GRD**

- Continued construction of Khan Bani Sa'ad correctional facility under bridge contract and awarded completion contract. Construction of the facility to house 1,800 inmates is expected to be finished by summer of 2007.
- Continued work at Zrka Rehabilitation Center in Dahuk. The contractor's progress is satisfactory and construction appears to be on or ahead of schedule.

#### **Department of Justice (ICITAP)**

- Analyzed equipment needs for new prisons and worked with the Ministry of Justice and Iraqi Corrections Service to procure equipment as funds become available.
- Assigned a Budget/Finance Advisor to the Ministry of Justice and Iraqi Correctional Services for the purposes of instruction and training on analyzing, developing, and submitting budgets request capable of sustaining the entire department for FY07. This will include construction/renovation, equipment, materials, etc.
- Transferred equipment and supplies to Baddush Prison in Mosul.

- Designed and implemented budget calculation/itemization template for use by the Ministry of Justice and Iraqi Corrections Services in determining the amount of funding required for FY07.
- Designed and implemented 30 Director General Orders, some of which impact budget planning and financial management within the MOJ/ICS.
- Delivered vehicles (two water tankers, one fuel tanker, and three transport buses), training equipment (mats, batons, chemical munitions, training suits, and protective gear), and staff badging equipment.

#### **Accomplishments anticipated next quarter:**

##### **DoD/GRD**

- Deliver equipment and services to the Ministry of Justice/Iraqi Corrections Service including weapons and ammunition (three contracts totaling \$831,000), one water and one pumping truck (\$530,000), linguist support services (\$497,000), and three vehicles (bus, truck, and multi-use vehicle \$615,000).
- Continue construction of Khan Bani Sa'ad correctional facility.

##### **Department of Justice (ICITAP)**

- Two groups of thirty employees each of the Ministry of Justice and Iraqi Correctional Service will travel to the United States for prison visits and training; the first group will travel in November and the second in December 2006.
- Continue to facilitate the transfer of Detainee Centers in the Baghdad area from the Ministry of Interior and the Ministry of Defense to the Ministry of Justice.
- Continue to work with the Deputy Minister of Justice and Director General of the Iraqi Correction Service to create facility activation plans, and to select and commence training of corrections officers, supervisors, specialized staff, Wardens, and Deputy Wardens for the new facilities of Khan Bani Sa'ad and Nasiriyah.

## **FACILITIES REPAIR, FIRE SERVICE, AND DEMINING**

### **Facilities Repair**

**Project Code: 13000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	92	-3	-	-	-	-	89	83	69
Change from July	-	-	-	-	-	-2	-2	+3	+3
October 2006	92	-3	-	-	-	-2	87	86	72

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$2.1 million, reallocating funds to Basra Children's Hospital (PC 91500).

#### **Accomplishments since the July Report:**

- Completed construction of the two remaining new fire stations (\$2.2 million).
- Awarded contract to renovate fire station in the International Zone (IZ) (~\$1.6 million).
- Awarded contract for construction of training tower and firefighting water training station at IZ fire station (\$1.1 million).
- Awarded contract to renovate Al Karmah fire station in Falluja (~\$450,000).
- Awarded contracts for paving of access roads for entry into four fire stations (~\$300,000).

#### **Accomplishments anticipated next quarter:**

- Complete construction of security fences and paving projects at 9 firehouses.
- Complete construction of IZ training tower and firefighting water training station (\$1.1 million).

**Fire Service**  
**Project Code: 14000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	122	-7	-	-	-	-	115	102	99
Change from July	-	-	-	-	-	-	-	+13	+2
October 2006	122	-7	-	-	-	-	115	115	101

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$115 million allocated for Fire Service.

**Accomplishments since the July Report:**

- Awarded contract for a Command and Control (C2) Truck for the Iraqi Civilian Defense Directorate (~\$600,000).
- Awarded contract for portable communications equipment for the Iraqi Civilian Defense Directorate (~\$300,000).
- Awarded executive training contract for the Iraqi Civilian Defense Directorate. This is planned in Oman and will build capacity and increase professional ability (\$250,000).
- Cancelled solicitation for explosive ordnance disposal training for the Iraqi Civilian Defense Directorate due to higher priorities (~\$200,000).
- Awarded contract for portable lighting equipment for the Iraqi Civilian Defense Directorate (\$312,000).
- Awarded contract for the modification of ventilation fans for the Iraq Civil Defense Directorate (\$49,500).
- Awarded contract for the training of calibration specialists to maintain Self Contained Breathing Apparatus (~\$63,000).
- Cancelled solicitation for the purchase of a training tower to assist in building capacity at the Iraq Civil Defense Directorate due to higher priorities (~\$250,000).
- Awarded contract for the purchase of portable training trailer for the Iraq Civil Defense Directorate (~\$582,000).

- Awarded contract to conduct fire officer training and capacity building for 400 firefighters (~\$3.7 million).
- Completed construction of two security fences at Iraq Fire Stations (\$114,000).
- Completed delivery of firefighting foam to fire stations across Iraq (\$1.7 million).
- Awarded contract to conduct HAZMAT awareness training to be held in Iraq for 72 firefighters (\$83,000).
- Deferred conducting executive training in Oman for 45 fire chiefs due to solicitation and award timeline.
- Awarded contract to purchase search and rescue equipment and conduct training for 120 personnel in Iraq (\$1.77 million).
- Awarded contract for the purchase of fire hose and training of 400 Firefighters in Iraq (\$1.6 million).
- Awarded contract for purchase of HAZMAT equipment (\$699,000).
- Awarded contract for the purchase of maintenance equipment and training of 40 mechanics (\$511,000).

**Accomplishments Anticipated next quarter:**

- Deliver equipment to the Iraq Civil Defense Directorate including HAZMAT Trucks (~\$600,000), portable communications equipment (~\$300,000), portable lighting equipment (\$312,000), HAZMAT Equipment (\$699,000), and portable training trailers (~\$582,000).
- Conduct training courses including executive training/capacity development for 45 fire chiefs (~\$250,000) and fire officer training for 300 fire officers (~\$3.7 million).
- Conduct search and rescue training course for 120 personnel and deliver search and rescue equipment (\$1.77 million).
- Conduct HAZMAT awareness training for 72 personnel (\$83,000).
- Complete calibration training for five personnel (\$63,000).
- Complete delivery of fire hose and nozzles and start training for 400 firefighters (\$1.6 million).

**Demining**  
**Project Code: 09500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	61	9	4	9	-	-	83	83	74
Change from July	-	-	-	-	-	-	-	-	-
October 2006	61	9	4	9	-	-	83	83	74

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State

**Changes from the July Report:** This report maintains the \$83 million allocated to fund a combination of minefield and battle area clearance (BAC) operations and explosive ordnance disposal (EOD) missions by the Iraqi Mine UXO Clearance Organization (IMCO) and the Mines Advisory Group (MAG) as well as closing down landmine and unexploded ordnance (UXO) impact survey operations by the Vietnam Veterans of America Foundation (VVAFF) and drafting final reports.

This program continues to contribute to post-battle operations and improve the humanitarian environment for returning populations, especially children. The program also increases prospects for donor- and Iraqi-funded economic development by clearing land for agricultural and other economic use.

RONCO, the State Department contractor, has successfully established a demining/UXO NGO for the center/south of the country. That NGO, IMCO, has cleared power lines, university campus areas, military bases, and oil fields and just recently cleared, for the U.S. military, a strategic ammunition storage point in Badush that had been a source of improvised explosive device (IED) material. A large quantity of lethal UXO is destroyed each day.

**Accomplishments since the July Report:**

- Completed the tasking of IMCO at Badush to clear landmines and UXOs from a hazardous area in close proximity to an Iraq Army and Coalition Forces SF training and operational base.
- Completed training of additional Iraqi Army (IA) Bomb Disposal Companies. Continued to train Iraqi Police (IP) and IA in IED disposal, Iraqi Army Bomb Disposal Instructors, and Iraqi Army IED instructors.
- Continued population of the Information Management System for Mine Action (IMSMA) National database, including information sharing to all national stakeholders, which assist

reconstruction planning and humanitarian and security operations.

- Continued to facilitate national EOD/IEDD coordination meetings between Iraqi Government, IA, IP, Coalition Forces, international stakeholders, and mine action organizations operating throughout Iraq.
- Continued minefield clearance, BAC and EOD using Mine Action Teams and Mechanical teams in the governorates of Irbil, Sulaymaniyah, Dahuk, Kirkuk, Diyala, and Ninawa.
- Continued community liaison and Mine Risk Education (MRE) in Irbil, Sulaymaniyah, Dahuk, Kirkuk, Diyala, and Ninawa. MRE programs have been developed for shepherds, villagers, children, and visitors.
- Continued implementing the Ministry of Education MRE training program in the northern governorates of Ninawa and Kirkuk. This program incorporates MRE into the primary education curriculum, trains teachers and school supervisors, and provides materials. Follow up progress assessments are conducted, providing additional materials and training as required.
- Built institutional capacity of a local NGO partner in the areas of management, strategic planning, fundraising, financial management, technical knowledge, and operational activities. With MAG's support this local partner is providing MRE and victim surveillance in central and southern Iraq.
- Continued capacity building of IA and Iraqi National Guard (ING) personnel.
- Established dedicated EOD and BAC teams to reduce the prevalence of UXO potentially used for anti-government and anti-MNF-I activities.
- Surveyed 13 Iraqi governorates.
- Surveyed portions of three additional Iraqi governorates.
- Identified and surveyed 1,579 Iraqi communities affected by landmine/ UXO contamination.
- Identified and prioritized 93 highly impacted communities, 642 medium impacted communities and 844 low impacted communities.
- Identified and surveyed 3,548 suspected hazardous areas.

**Anticipated accomplishments next quarter:**

- Continue with IA and IP EOD and IED training, including train-the-trainer courses.



- Train selected IMCO staff to EOD level 4, including train-the-trainer package.
- Support to IA and coalition forces by providing comprehensive, cost effective EOD clearance packages, via IMCO, to carry out high priority tasks. This task will utilize Iraqi staff, as coalition assets are reduced.
- Continue to utilize IMCO instructors to support the IA/IP Bomb Disposal School and when necessary, assist in the transition of the school from Az Zubair to Besmaya.
- Increase the management support to IMCO in terms of proposal drafting, seeking funding, and establishing more self sufficiency amongst IMCO senior staff.
- Monitor and evaluate the training element of the Ministry of Education MRE training program in the northern governorates of Ninawa and Kirkuk.
- Continue capacity building of IA and ING personnel.
- Continue capacity building partnership with a local NGO partner in the areas of management, strategic planning, fundraising, financial management, technical knowledge, and operational activities. With MAG's support, this local partner is providing MRE and victim surveillance in central and southern Iraq.
- Continue minefield clearance, BAC and EOD, using mine action teams and mechanical teams in the governorates of Irbil, Sulaymaniyah, Dahuk, Kirkuk, Diyala, and Ninawa.
- Continue community liaison and mine risk education (MRE) in Irbil, Sulaymaniyah, Dahuk, Kirkuk, Diyala and Ninawa. MRE programs conducted include shepherd, villager, child, and visitor.
- Complete surveys in three center-north governorates.
- Deliver comprehensive Iraq Landmine Impact Survey Final Report to United States government, Iraqi national authorities, and international humanitarian community.
- Update the Information Management System for Mine Action (IMSMA) to Version 4.0 and train NMAA operators.
- Assist national authorities in using IMSMA data for national strategic planning.
- Establish a Rehabilitation (Prosthetics and Orthotics) Training and Treatment facility in Irbil, Iraq in order to serve public health/rehabilitation professionals from throughout the country.
- Expand Iraqi national rehabilitation capacity to meet Iraq's needs.

**Public Safety Training and Facilities**  
**Project Code: 15000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	139	81	-	-	-29	-	191	210	172
Change from July	-	-	-	-	-	-4	-4	-24	+1
October 2006	139	81	-	-	-29	-4	187	186	173

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense /GRD

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$4 million. The decrease is the result of the further closeout of contracts and funds being returned. These funds are being reallocated to Civil Aviation (PC 70000) \$400,000 to support Basra International Airport, Basra Children's Hospital (PC 91500) \$1.5 million to support construction project, and Transmission (PC 41000) \$2.1 million to support the Kirkuk-Diyala overhead line.

**Rule of Law in Iraq**  
**Project Code: 06500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	30	26	-	54	-39	-	71	59	40
Change from July	-	-	-	-	-	-	-	+12	+1
October 2006	30	26	-	54	-39	-	71	71	41

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State, Bureau of International Narcotics and Law Enforcement Affairs (INL), USAID, and Department of Defense

**Changes from the July Report:** This report maintains the \$71 million allocated to Rule of Law in Iraq.

**Accomplishments since the July Report:**

**Department of State (INL)**

- Completed two buildings and all security upgrades in the INL compound.

- Funded six rule of law advisors for deployment to U.S.-led Provincial Reconstruction Teams (PRTs) to assist in rule of law and provincial governance development in the provinces. Deployed two rule of law advisors to the teams in Baghdad and Mosul and processed four more for deployment. Funded a total of eight Iraqi attorney advisors for the PRTs (\$2,100,000).
- Funded grant to the Public Interest Law and Policy Group to send two constitutional experts to Baghdad for six months to assist the Higher Juridical Council (HJC) and the Council of Representatives with passage of new laws to strengthen the HJC and the Federal Supreme Court (\$991,613).
- Funded training program in modern law enforcement techniques and international law standards to more than 100 new judicial investigators (\$174,311).

### **Iraq Justice Integration Project (IJIP)**

- Developed Policy Guides for the Iraqi Ministries of Labor and Social Affairs and Interior and the HJC addressing cross-ministry integration points.
- Delivered draft MOUs to participating ministries for assent and signature, which will further facilitate relationship-building and collaboration between Iraqi criminal justice ministries and the court system.
- Used ongoing Policy Working Group meetings to identify Iraqi Ministry of Human Rights (MHR) as potential participant in the justice integration process.
- Launched a proof of concept pilot at the Ministry of Interior's Criminal Records Division facility, located in Baghdad's Karkh District, and tested it by entering 300,000 criminal files currently in hard copy. The prototype software application is designed to be capable of tracking an accused individual from time of arrest or detention through adjudication to acquittal, conviction, incarceration, and/or release.

### **Major Crimes Task Force (MCTF)**

- Recruited five Language Specialists.
- Investigations of a variety of violent crimes have resulted in the issuance of 75 arrest warrants to date; nine of those targets are presently incarcerated and awaiting trial.
- Currently investigating ten active cases, including several high visibility matters.
- Engaged in 24 deployments into the three northern Iraqi governorates in support of various pending investigations.

- Supported various special initiatives and projects of the U.S. Embassy Baghdad in its developmental work with the newly-formed Iraqi Government, including certain civil rights matters and law enforcement goals.
- Added additional Supervisory Special Agent to address increasingly heavy caseload and related administrative and managerial responsibilities.

### **American Bar Association (ABA)**

- Completed a draft of the Judicial Reform Index (JRI) and translation for peer review (\$30,000).
- Formulated an implementation plan for completing a supplement to the JRI on the three northern governorates.
- Held comparative study program for eight Iraqi judges and leaders of the newly formed Iraqi Judges Association on September 4-8, 2006 in Slovenia. Assisted participants to develop an action plan for the future development of the Iraqi Judges Association (IJA) (\$90,000).
- Supported the development of IJA outreach materials, including a brochure and a website ([www.iraqijudiciary.org](http://www.iraqijudiciary.org)) (\$5,000).
- Developed the agenda for a follow-on train the trainers program on the judicial leadership and case management course module piloted in June 2006.
- Conducted a requirements analysis workshop for the Khadimiya Court Pilot Program and procurement and installation of equipment (\$116,420).
- Contracted with Alpha XP Software Development for purchase of its case management software and services for adapting the software for use in the Khadimiya Court Pilot Program (\$125,000).
- Worked to prepare a schedule of training programs for court judges and court staff on use of hardware and software.
- Began compiling international legal materials and course materials for use by instructors and students of the INL-supported judicial investigator training program. Materials focus on international human rights, money laundering, cyber crime, terrorism and terrorist financing, and drugs (\$40,000).
- Provided continued support to the Human Rights Working Group and its subcommittees and activities, including media outreach on human rights and forming alliances and networks with human rights NGOs nationally. Members of the Human Rights Working group met with party leaders in the Council of Representatives to promote the objectives identified by the Group (\$25,000).

- Facilitated two meetings of the Human Rights Working Group on August 21 and September 11.
- In follow-up to the human rights train-the-trainer program held in Beirut in May, supported a roundtable discussion in Najaf on July 1 focusing on the Personal Status Law and Article 4 of the Constitution; this program was led by Ali Al Sheibani of the Najaf Centre for Human Rights and Democracy Support in collaboration with representatives of the Ministry of Human Rights and Ministry of State for Women's Affairs (\$10,000).
- Provided ongoing assistance to the Ministry of Human Rights and the Human Rights Working Group on development of outreach materials and a website (\$10,000).
- Planned a workshop and study tour on operational structure for the Human Rights Commission for Ministry of Human Rights representatives (\$10,000).
- Began work on a second edition of the Status of Women in Iraq report.

#### **Department of Justice (OPDAT)**

- Deployed two additional OPDAT attorneys to serve on PRTs in Diyala and Salah ad Din for CCCI expansion program (\$429,000).
- Provided regular legal counsel, strategic direction, and other support for the investigative work and mission of the MCTF/FBI and several other civilian and military law enforcement units responsible for criminal investigations.
- Organized and sponsored a series of "Law Justice Committee" meetings for the purpose of providing instruction to and coordinating the investigative work of civilian and military law enforcement units, including but not limited to the FBI and U.S. Marshals Service.
- Through its Resident Legal Advisors (RLAs) at the Provincial Reconstruction Team (PRT) sites and at Embassy Baghdad, coordinated and assisted in responding to several high-visibility matters involving security and safety of Iraqi detainees, American citizens and international visitors, among others.

#### **Government Accounting Office (GAO)**

- Began work on a program to train Board of Supreme Audit (BSA) officials at GAO in Washington and to provide copies of the U.S. Government Audit Standards (Yellow Book) to BSA.

## **USAID**

### **Anti-Corruption Program – Civil Society**

- Prepared a detailed implementation plan, for the National Anticorruption Awareness Campaign which has been sent to the four Iraq Civil Society and Independent Media Program (ICSP) regional centers (Baghdad, Hilla, Basrah, and Irbil) for review.
- Commenced the Government Agencies anti-corruption course which focuses on providing training and technical assistance to government officials on such issues as transparency and accountability, fiscal responsibility, access to information, and whistleblower protections.
- Contacted media-related Civil Society Organizations (CSO) throughout the country to determine which CSOs would like to participate in the anti-corruption program.
- Took steps to strengthen the relationship between ICSP and Iraq's Commission on Public Integrity (CPI) and explored possible avenues to help expand skills and capacities of CPI.

## **USAID**

### **Anti-Corruption Program – Public Employee Census**

- Commenced project planning, selection of local resources, and developing detailed project work plan for an automated government payroll system in Iraq.

### **Accomplishments anticipated next quarter:**

#### **Department of State (INL)**

- Coordinate efforts of the coalition, UN, and NGOs to support creation of an independent human rights commission and work with Iraqis to ensure the enabling legislation is passed.
- Hire two language specialists to assist INL program activities with Arabic translation.
- Move implementing agencies and contractors to the INL compound and staff compound with Iraqi nationals and language specialists.

#### **Department of Justice (ICITAP)**

- Deliver two courses, each of three-weeks duration, to train 100 Iraqi Judicial Investigators in basic criminal investigative procedures and techniques, in order to help build the capacity of the Iraqi judiciary to effectively, fairly, and efficiently prosecute serious criminal cases.

### **Iraq Justice Integration Project (IJIP)**

- Conduct a second National Conference on Justice Integration in early November outside Amman, Jordan.
- Launch a prototype web-based application at the Iraqi Ministry of Interior's Criminal Records Directorate which will prove that it is possible to better track detainees from time of arrest or detention through adjudication to acquittal, conviction, incarceration, and/or release.

### **Major Crimes Task Force (MCTF)**

- Continue to engage in investigations of serious criminal conduct, including cases involving assassinations, kidnappings, detainee abuse, extrajudicial killings, and other human rights abuses.

### **American Bar Association (ABA)**

- Conduct publication and in-country roll-out of the JRI and Kurdish supplement.
- Complete Khadimyah Court Pilot Program court implementation of case management software.
- Facilitate the Iraqi judges' association action plan and institution-building support.
- Complete judicial investigator manuals and course materials.
- Lead the study program for key Iraqis who will support the creation of the human rights commission.
- Complete an update on the Status of Women Report.

### **Department of Justice (OPDAT)**

- Continue to provide legal counsel and direction to law enforcement units, including but not limited to the MCTF/FBI and the USMS, in their investigation of criminal cases and their provision of security to judges, witnesses and others involved in the administration and delivery of justice.
- Continue to offer training and mentoring to members of the Iraqi judiciary, investigators of the Commission on Public Integrity (CPI), Judge Advocate General (JAG) attorneys responsible for the presentation of terrorist/insurgent cases at the CCCI and other participating members of the law enforcement community.

## **Government Accounting Office (GAO)**

- Provide up to 500 copies of the Yellow Book, translated into Arabic for BSA auditors in related organizations within Iraq.
- Provide comments to BSA on BSA audit programs/methodologies, translated from English to Arabic, once material is received from BSA.
- Translate GAO materials related to the Yellow Book and general audit policy guidance from English to Arabic and ship to BSA.
- Assist BSA with identifying three candidates from BSA to participate in GAO's 2007 International Auditor Fellowship Program and work with DOS/INL on facilitating their travel to the United States.
- Facilitate the BSA President's participation in the July 2007 transformation seminar to be offered by GAO and coordinate with DOS/INL on travel planning for the BSA President's visit.

## **USAID**

### **Anti-Corruption Program – Civil Society**

- Recruit potential trainers among staff and partner CSOs to upgrade CSO training capabilities on anti-corruption issues and advocacy.
- Revise and reissue Request for Applications (RFAs) grant instructions to solicit 75 CSO applications (worth \$1,000,000) for implementation of anti-corruption initiatives. Grantees will also be selected.
- Develop a plan and regional schedules to establish CSO-public partnerships in coordination with other USAID program partners. Partnerships with foreign NGOs will be explored and encouraged, and linkages will be created between CSOs and the business sector and business associations.
- Execute the sole source renewal of Al Noor, an Iraqi CSO that will assist the National Anti-Corruption Legislative Coalition in its legislative reform efforts. The Coalition is a national network of approximately 800 CSOs which have agreed to engage with the Council of Representatives to promote anti-corruption legislation. One hundred of these CSOs are playing an active support role in the legislative process.
- Issue the RFA for the anticipated Kurdish Anti-Corruption Legislative Coalition which will mirror the National Anti-Corruption Coalition. A managing CSO will be identified to organize a network of anti-corruption CSOs that will work to promote anti-corruption activities in the three northern governorates.



- Support collaboration between partner CSOs and the Commission for Public Integrity (CPI) and continue working with CSOs to explore new opportunities to support and train staff of the Inspectors General and the BSA.
- Develop and implement a plan to work with Iraqi radio stations to air programs that sensitize the Iraqi public and government officials to the costs of corruption and the techniques to combat corruption and waste.
- Translate and distribute a Kurdish edition of the Transparency International Sourcebook which provides a study of national integrity systems and serves as a hands-on tool to assess anti-corruption programs and to design anti-corruption strategies and implementation plans.

## USAID

### Anti-Corruption Program – Public Employee Census

- Conduct a census of Iraqi government employees by December 31 as a major initial step in the development of an automated payroll system. The data collected will assist the Government of Iraq to meet a condition of the 2005 Stand-by Agreement with the IMF and provide the necessary analytical material to determine the technical scope and capacity required to support the proposed system.
- Analyze the existing Iraqi payroll processes and draft a conceptual and functional design, including analysis of existing Iraqi payroll processes, supporting regulations and procedures, and identify mandatory functional requirements. First draft by December 31.
- Issue a Request for Information (RFI) to ascertain the likely software applications that can meet the functional and technical requirements for a payroll system in Iraq.

### Investigations of Crimes Against Humanity

**Project Code: 05000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	75	53	-	-	-	-	128	124	67
Change from July	-	-	-	-	-	-	-	+3	+2
October 2006	75	53	-	-	-	-	128	127	69

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Justice (with funds transferred from Departments of Defense and State), Department of Defense, and USAID.

**Changes from the July Report:** This report maintains the \$128 million allocated to investigations of crimes against humanity.

**Accomplishments since the July Report:**

**Department of State**

- Continued acquisition of additional interior services and supply requirements at the Iraqi High Tribunal (IHT) courthouse (\$.6 million).
- Continued acquisition of IHT courthouse perimeter improvements (\$1.6 million).
- Continued specialized translation support services for IHT and acquired services for IHT web site design (\$3.4 million).
- Continued acquisition of witness security service and supply needs (\$.5 million).

**DoD**

- Awarded contract and initiated work on the Secure Evidence Unit facility at Iraqi Special Tribunal (~\$3.4 million).

**Accomplishments anticipated next quarter:**

**Department of State**

- Complete construction improvements on courthouse perimeter security.
- Award contract for alternate witness security site.
- Award contract to build out interior of Secure Evidence Unit.
- Acquire additional automated data processing equipment for IHT support.
- Acquire additional and replacement vehicles.
- Award contract for demobilization of Forensic Analysis Facility and repatriate bodies from mass grave.
- Acquire transportation services for witnesses.

**DoD**

- Complete the Secure Evidence Unit facility at the Iraqi Special Tribunal (~\$3.4 million)

**Judicial Security and Facilities**  
**Project Code: 09000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	73	86	-	-	-	-	159	139	99
Change from July	-	-	-	-	-	-2	-2	+13	+5
October 2006	73	86	-	-	-	-2	157	152	104

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense and Department of State, with some funds transferred to Department of Justice's U.S. Marshals Service and Federal Bureau of Investigation (FBI).

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1.8 million, reallocating funds to Civil Aviation (PC 70000) to support Basrah International Airport.

**Accomplishments since the July Report:**

**Department of Justice (USMS)**

- Trained several hundred Facilities Protective Service (FPS) and Personal Security Detail (PSD) personnel on effective security techniques, including firearms training and other protective measures, in the first components of the creation of a nationwide Iraqi Marshals Service.
- Continued security-related oversight and direction in the on-going construction of five new courthouses in Baghdad (Karkh and Rusafa), Hillah, Mosul, and Basrah.
- Conducted in-depth, on-site security assessments of existing courthouse facilities in Baghdad, Hillah, Mosul, Basrah, Baqubah, and Kirkuk, in anticipation of critical security improvements at some of those key municipal locations.
- Completed management of a multi-year series of physical improvements to the Central Criminal Court of Iraq (CCCI)-Baghdad courthouse, including installation of secure windows, entry facilities, trial and hearing rooms, and instructional/training spaces.
- Completed construction of a fully-operational firing range on the premises of the CCCI-Baghdad, which will be used for the training of judicial security officers and members of the court staff, including judges, clerks, and aides.

- Managed all security aspects of, and made significant physical improvements to, a 40-unit residential building used to provide secure housing for leading Iraqi judges and some high-ranking members of the newly formed Iraqi Government.
- Provided “up-armored” and other vehicles to selected members of the Iraqi judiciary, based on identified threats to them and/or their families, and otherwise ensured safe transport for judges from their personal residences to their assigned courthouses.
- Provided specialized and emergency security for the judges and staff of the Iraqi High Tribunal (IHT), the prosecutors, and defense attorneys trying cases in that forum, the witnesses testifying there and other participants in those high-visibility, high-threat proceedings.
- Provided a trained guard force for Al Karkh regional courthouse to facilitate its opening.

#### **Department of Justice (FBI)**

- Procured equipment and supplies to sustain Major Crimes Task Force.

#### **DoD/GRD**

- Began construction of four new regional courthouses. (~\$35.4 million).
- Awarded contract for Security/Protection Force at safe-house facilities (~\$3 million).
- Awarded contract for supplies and equipment for CCCI firing range (~\$270,000).

#### **Anticipated accomplishments next quarter:**

##### **DoD**

- Deliver eight up-armored passenger vehicles to U.S. Marshals Service (~\$1.3 million).
- Deliver two signal jamming systems to U.S. Marshals Service (~\$300,000).
- Deliver five multi-use vehicles to U.S. Marshals Service (~\$84,000).

##### **Department of Justice (USMS)**

- Continue training of FPS and PSD personnel in the further development of a viable, functioning, and professional Iraqi Marshals Service.
- Facilitate plans for the establishment and construction of witness security facilities at the CCCI-Baghdad and five other judicial locations throughout the country.
- Facilitate plans for the establishment and construction of the Hilla witness security building adjacent to the regional courthouse.

- Promote plans for the identification and creation of additional, secure housing for Iraqi judges in Baghdad and in other large municipal areas.

## **Democracy-Building Activities**

**Project Code: 06000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	541	401	62	30	-20	-	1,014	959	798
Change from July	-	-	-	-	-	-12	-12	+43	+54
October 2006	541	401	62	30	-20	-12	1,002	1,002	852

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State and USAID

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$12 million. Funds are reallocated to Nonproliferation and Export Control and Border Security (PC 09600) \$250,000, Agriculture (PC 01600) \$7.8 million, and Institutional Reforms (PC 01500) \$3.9 million.

Through the Local Governance Program (LGP), the Provincial Reconstruction Teams are assisting in empowering elected provincial officials in the decision-making process needed for basic governance. For example, since 2003, LGP has trained and mentored about 2,800 appointed and elected members in Iraq's 18 provinces under the CPA and TAL administrations and councils freely elected in 2005. Councils have been trained on public management practices and service on a local government council. In August at the conclusion of the 2<sup>nd</sup> National Provincial Councils' Conference, more than 110 conferees, representing all 18 provinces, voted and ratified for the first time a Local Government Code (LGC) and certified the creation of an Iraqi Local Government Association (ILGA). This was a significant step for the decentralization process in Iraq. The Iraqi Provincial Council Members met to formalize the LGC in order to introduce it as a Bill before the National Assembly and to create a Local Government Association (ILGA) body to act on behalf of all governorates on matters of importance in lobbying the National Assembly and central government. LGP played a significant role to facilitate and guide this Iraqi-led and Iraqi-driven conference.

The USAID Community Action Program (CAP) completed 365 community-based projects during this reporting period, valued at \$11 million. Working closely with the Community Action Groups (CAGs) to identify critically important projects, CAP partners were able to work in their areas of responsibility and address community needs through these CAP-CAG collaborative efforts.

Looking forward, with funds from the FY 2006 supplemental, all implementing partners will

increase the focus of the CAP program on income and employment generation, conflict mitigation and prevention, and the advocacy skills needed for community associations to engage local governments. The proposed focus builds on the common methodologies and approaches of all CAP implementers as a way both to maintain and build on the successes of the current CAP activities and to ensure that the program is in keeping with the USG's strategy for Iraq. The program also has been fully coordinated with USAID's strategy and with the mechanisms established for the coordination of reconstruction assistance – with local and provincial governments, the Coalition Forces, and the U.S. Department of State. CAP will work in close collaboration with the established PRTs in a USG effort to coordinate and leverage the resources of other programs currently working in-country.

### **Accomplishments since the July Report:**

#### **Department of State/DRL**

- Disbursed over \$500,000 in sub-grants to twenty non-governmental organizations (NGOs) and three national networks to implement projects designed to strengthen the linkages between community needs and governmental responses through advocacy campaigns.
- Developed materials that offer NGOs practical skills for effective work in civil society: (1) Successful Delegation: Increasing Productivity and Empowering Staff; (2) Tips for Effective Media Relations; (3) Developing a Volunteer Base To Enhance Results; (4) Grant Proposal Writing; (5) Guidelines for Effective Program Reporting; (6) Conducting Community Forums; and (7) Facilitation Skills for Improved Communication. Two additional manuals are forthcoming: (8) NGO Leadership Development and (9) Facilitative Leadership: Tapping the Power of Participation.
- Provided legislative drafting training in Amman, Jordan in late July with two Egyptian legal experts for Iraqi parliamentary/political party staff and Members of Parliament (MPs).
- Completed baseline assessment of the new Iraqi Council of Representatives (COR) to provide a comparative benchmark for future work and guide future training activities.
- Continued to support the National Women's Coalition of Iraq (NWCi) and its national Call to Action campaign to raise awareness about women's political and social rights, including review of Article 41 - also referred to as the Personal Status Law - of the Iraqi Constitution.
- Supported NWCi as it held a series of public education sessions, funded by the British Council, across Iraq to raise awareness of Article 41; the campaign entailed more than 150 training sessions in all 18 Governorates.
- Continued training series across Iraq, including media consultations, basic advocacy, party communications, party development, voter contact and database development.

- Opened an additional NDI satellite office in Tikrit.
- Drafted and received formal approval from the COR Presidency Council on an umbrella memorandum of understanding in order to launch trainings and other technical assistance which is prepared to be delivered to the legislature.
- Performed ongoing consultations with the COR Communications Directorate on establishing a press gallery and a recording studio with open access for the MPs; began identifying physical space in the Convention Center building with technical specifications.
- Conducted an initial assessment of a newly-formed COR Foreign Affairs Committee and provided initial guidance on staffing, internal operating, and jurisdictional rules, as well as provided examples from other legislatures.
- Organized a two-part workshop for the COR Foreign Affairs Committee staff on the staff role in legislature and discussed legislative processes in other parliaments.
- Continued to conduct ongoing consultations with the Research Directorate (RD) staff on performing research and provided follow up information on basic research report outlines as well as the strategic plan guidance for the research department of the RD.
- Organized and facilitated a five-day training program for the COR RD and leadership staff led by two experienced trainers in the field of international legislative research; the program focused on the importance of objective research in a democratic parliament and included technical exercises on performing research for MPs.
- Conducted an intensive workshop for 27 emerging Iraqi think-tank leaders from 17 organizations on policy paper writing in order to continue to engage Iraqi think-tank partners on developing programs and proposals to provide policy expertise to the recently-formed Iraqi government and legislature.
- Facilitated an exchange program between Iraqi and international think-tank organizations to integrate Iraqi partners into the global community of policy experts and expand Iraqi think tanks' capabilities. Directors of seven organizations participated in the exchange.
- Completed a nation-wide national reconciliation campaign with partner Iraqi CSOs. Through this campaign, more than 200 workshops were held, distributing over 600,000 pieces of print material, reaching more than 800,000 Iraqi citizens. This campaign targeted Shia, Sunni, Kurds, women, youth, religious, and ethnic minorities, as well as tribal and religious leaders.
- Extended long-term partnership with the Rafadin Women's Coalition (RWC) that will provide programming focused on national reconciliation, women's legal empowerment, and legal reform.

- Completed a networking conference for 150 women in September from ministries, political parties, media organizations, and CSOs from all over Iraq.
- Completed two workshops in Baghdad and one in Basrah on national reconciliation with a total attendance of 90 persons.
- Hosted one radio program focused on the concepts of national reconciliation from both religious and political perspectives.
- Initiated the second phase of the National Reconciliation campaign that will incorporate media spots, workshops, town-halls, and the distribution of print materials focused on the national reconciliation process during the holy month of Ramadan.
- Extended long-term partnership with the Baghdad Youth Center (YC). The YC will hold ten workshops and two conferences per month with half of all the YC activities centered on young women and issues related to them.
- Held five YC workshops focused on national reconciliation and five focused on the age of candidacy in parliament, achieving approximately 350 student attendees from various universities in central and southern Iraq.
- Organized a three-day youth training in Irbil for 15 Kurdish and Arab youth leaders. The youth were jointly trained on public speaking and network building. The youth participants drew up a plan for a joint public awareness campaign for lowering the age of candidacy to hold a seat in Parliament, which they will implement in the next quarter.
- Held two performances of a street theater in the main square of Irbil by Kurdish youth NGOs. The youth activists wrote and performed a 45-minute play detailing the problems of corruption, unemployment, emigration, and marginalization of youth. An estimated 600 people attended these shows, a major accomplishment for Kurdish youth, as youth traditionally do not speak out for fear of punishment by the government.
- Held a four-day training session for 21 participants from the Women's Leadership Institute (WLI) on training-of-trainer techniques. Training was led by Egyptian women's rights experts for the regional WLI facilitators who will conduct outreach to all 18 Iraqi provinces.
- Completed a two-day WLI national reconciliation conference in northern Iraq bringing together over 100 women politicians from central government, local provincial councils and Kurdistan Regional government along with representatives of CSOs, focused on initiating a women's movement for national reconciliation.



## **Department of State**

- Continued to support the Ahd al-Iraq (Pledge for Iraq) movement, a group of politically active Iraqi women across the political spectrum. Ahd al-Iraq focuses on human rights, women's rights, and democracy principles and is aimed at building support from Parliamentarians, NGOs, and civil society to enact legislation in the Iraqi National Assembly that guarantees freedom of expression, integrity of the judiciary, and protection of human rights.
- Supported Ahd al- Iraq's creation of a legislative watchdog group to monitor parliamentary issues of importance to protecting human rights and women rights in Iraq, engagement of university-based networks of students, professors, and NGOs on women's rights and human rights.
- Supported the development of the curriculum of the judicial training institute to include a special section on the personal status law, and is also in the process of creating an anti-corruption watchdog through Ahd al-Iraq.

## **Women's Democracy Initiatives (State – DRL and G/IWI)**

- Continued support for workshops and training for the political participation of women, with a focus on implementing legislation for the Constitution, and women's rights therein.
- Continued support for the second tranche of initiatives that include student outreach and economic empowerment of women through capacity-building and support to independent women's NGOs.
- Continued support of political parties and CSOs in developing concrete, organic strategies for including women in political structures.
- Continued support of training on the new constitution and personal status law, women's civil society participation, and youth participation.
- Continued support of capacity-building training for strategic NGO planning, development of organizational structure, project cycle management, project formulation and implementation, budgeting and financial planning, reporting and coalition building within the women's movement.
- Organized a week of training for Iraqi businesswomen delegates to the U.S.-Arab Economic forum in Washington, D.C. that included workshops at the World Bank, the International Finance Corporation (IFC), the Small Business Administration, the United States Institute of Peace, and a meeting on the Hill with the Iraqi Women's Caucus.
- Pursued public/private partnerships to support grassroots Iraqi businesswomen through the Iraq Women's Economic Empowerment Working Group and the Iraqi Women's Gift

Fund. The Gift Fund aims to channel private sector donations and donations from individual donors to worthy proposals for Iraqi women's micro-projects.

- Worked to advance the economic empowerment of Iraqi women through coordination of the Iraq Women's Economic Empowerment Working Group subcommittees focused on creating an "Adopt-an-Entrepreneur" program and online business education in Arabic for Iraqi women entrepreneurs.
- Connected grassroots Iraqi women artisans with the IFC's Artisan Market and Café, "Pangea," and other interested stores, to help expand their markets and gain access to U.S vendors.

## **USAID**

### **Local Governance Program:**

- Organized the National Provincial Councils' Finance Conference, represented by 16 out of 18 Provincial Councils, along with Governors and/or their deputies from all the Governorates. The conference focused on the guidelines and requirements Provincial Councils (PCs) have to follow in order to use the \$2 billion in Iraqi funds allocated to each province by the Ministry of Finance through its Accelerated Regional Reconstruction and Development Program (ARRDP). The Conference was groundbreaking both organizationally and substantively. All three Kurdish Governorates participated, the first time that Kurdish representatives worked jointly with their colleagues from the rest of Iraq.
- Assisted the convening of a Second Provincial Councils' National Conference that included more than 110 attendees representing all 18 PCs, along with the Minister of State and Provincial Affairs (MoSPA) and five members of the National Assembly. A Local Government Code (LGC) was voted on and ratified along with certifying the creation of an Iraq Local Government Association (ILGA). The LGC will be introduced as a bill for passage in the National Assembly.
- Provides substantial technical advice to the Baghdad Provincial Reconstruction Team (PRT), assisting it to carry out focused stabilization as it increases in size from sixty to 175 military, civilian interagency, and bi-cultural professionals. The Baghdad PRT has become a substantial reconstruction stakeholder that is now providing tri-weekly briefings to the U.S. Ambassador to Iraq and weekly briefings to the Force Commander.
- Worked closely with the Basra Provincial Council to adopt a Provincial Development Strategy (PDS). The PDS will enable the province to prepare annual budget statements to address immediate expenditure priorities. The PDS has been dispatched to the Ministry of Planning in Baghdad for discussion and acceptance by the National Government. It is expected that Dhi Qar, Maysan, and Al-Muthanna provinces will soon follow this lead and move forward with similar PDS strategies that reflect the development priorities of the respective provinces.

### **Community Action Program:**

- 306 community-based projects valued at \$11.1 million were completed to support process-driven and demand-based development. CAP aims to provide citizens with improved access to quality health, education, recreational, water, waste, and other services through the provision of improved infrastructure as well as assistance to war victims. Simultaneously, implementing partners seek to strengthen new or existing community associations that will experience improved ownership through participatory planning and that will learn to operate according to high standards of accountability and transparency.
- Through the business development component of the CAP program, CAP partners implemented 59 new projects valued at about \$1 million in Baghdad Province creating 312 new long-term jobs and generating 204 short term jobs. Business Development officers worked closely with community mobilizers to identify new business ideas in an effort to meet the assistance needs of businesses and entrepreneurs in Baghdad. These grants are distributed fairly among all districts of Baghdad in an attempt to spread the benefits and meet the needs of all requests emanating from the various communities.
- The diversity in the types of businesses is a main consideration: agricultural, manufacturing, construction, and service business sectors are given priority. Agricultural projects (e.g. cattle and sheep breeding, egg farms, and dairies) make up a large percentage of total projects. These types of businesses are rated the highest among all other businesses in terms of job creation.

### **Election Support and Voter Education:**

- Provided capacity building and training activities in various functional areas of electoral administration, such as electoral planning, logistics, polling, vote counting, voter education, and media/public relations.
- Developed options papers to assist the Council of Representatives in developing a permanent legal/electoral framework taking into account the current electoral structure and providing recommendations for improvement to the constitutionally mandated Independent High Electoral Commission of Iraq (IHEC), successor to the Independent Electoral Commission of Iraq (IECI).
- Continued to provide recommendations for the creation of a sustainable, credible voter registry.
- Created proposed operational plans and budgets for the anticipated elections in the coming years (provincial, municipal, and regional referenda), taking into account human resources, timelines, budgets, and detailed taskings.
- Began planning and preparations for an eventual delimitation exercise (the establishment of municipal boundaries) in anticipation of future local elections.

- IRRF funding has been fully disbursed for Election Support and Voter Education Activities, which accomplished the following:
  - Since the fall of 2003, USAID has been providing guidance in election planning and technical assistance to the election administration in Iraq. The objective of USAID's electoral assistance initiative was to provide flexible, responsive, and timely support to the IECI taking into account the available resources and the quickly evolving requirements of election operations. Some of the initial activities included conducting the first comprehensive electoral assessment for Iraq; drafting an operational concept and cost estimate; assessing the utility of the Public Distribution System database as a voter register; assisting in the establishment of the IECI headquarters and operating procedures; and assisting the UN, the Iraq Governing Council (IGC), and the Coalition Provisional Authority (CPA) in drafting elements of the electoral legal framework.
  - In the course of this two-year \$41 million program, USAID has provided technical electoral assistance to the UN-led International Electoral Assistance Team (IEAT) and assisted the IECI in organizing the first three elections in Iraq since the fall of Saddam Hussein. In addition to providing experienced election specialists, USAID also assisted in the emergency procurement of commodities and services – critical for implementation of the robust election schedule that was planned for 2005. USAID provided fundamental technical assistance to all three elections: the Transitional National Assembly elections, held January 31, 2005; the constitutional referendum, held on October 15, 2005; and the COR election, held December 15, 2005. Since the establishment of the COR, USAID has been providing assistance in building the administrative capacity of electoral officials; offering technical assistance and guidance in the drafting of electoral laws; helping to design a credible, sustainable voter registration process; working with the IECI in its close-out operations; and assisting in the planning of the anticipated provincial, municipal, and regional referenda elections.
  - On July 31, 2006, the National Democratic Institute (NDI) completed program activities in Iraq under the USAID grant, where it had been working to provide support to the government transition and to assist in the constitutional drafting process. Through the course of this two-year, \$45.5 million program, NDI made substantial inroads in building the capacity of the Iraqi interim government, the Transitional National Assembly, and government staff in such areas as lawmaking, representation, and executive oversight. It also assisted the Executive Authority, the Presidency Council, the Council of Ministers, and the presiding Prime Minister in developing governing processes, rules of procedure, regulations, and the directives necessary to enforce the laws and to implement government programs and policies. In addition, NDI provided technical assistance to the constitutional drafting process that included: comparative constitutional expertise; organizing constitutional conferences and conventions; facilitating public awareness, education, and participation; and assisting in the conduct of a national referendum. After the parliamentary elections in December 2005, NDI shifted its focus and began to

provide civic outreach to citizens on the role of the newly elected COR. This activity is expected to encourage an informed and politically aware citizenry and build support for the development of important democratic values in Iraq.

- On June 30, 2006, USAID's two-year voter education program in Iraq came to a close. Implemented through an associate award of \$69.3 million, the International Republican Institute (IRI) took the lead in providing voter education support for all three 2005 elections (the Interim National Assembly elections in January, the Constitutional Referendum in October, and the National Assembly elections in December). In addition, IRI worked closely with Iraqi CSOs to conduct public education activities and issue-based advocacy campaigns related to the Constitutional Referendum and the National Assembly elections. For all three elections, IRI worked with its NGO counterparts on a wide range of voter education activities, including:
  - facilitating workshops for thousands of Iraqi citizens to explain the election process and inspire them to vote;
  - producing a range of print materials (including get-out-the-vote ads) that were distributed throughout the country;
  - developing and broadcasting radio and television spots and producing several talk shows;
  - producing campaign booklets outlining the various platforms of political parties (for the Interim Assembly and National Assembly elections);
  - promoting minority and women's rights through signature campaigns; and
  - working with the Progressive Women's League to record and air six hours of talk shows focusing on election issues.
- NDI and IRI programs are being continued in a slightly modified form under a grant from DRL.

#### **Civil Society and Independent Media Program:**

- Delivered 90 capacity-building workshops to assist CSOs in their organizational performance, focusing on programs in anti-corruption, civic education, women's advocacy, and independent media.
- Conducted 250 training assistance (TA) sessions reaching 783 participants and 294 CSOs. A typical TA session uses trained experts that offer participants support, information, skills, and experience in an identified administrative or programmatic need (e.g., budget assistance, conference organizing, media campaign development or advocacy campaigns). Each TA session is typically conducted for two to three representatives of a single CSO, although sessions to several CSOs at a time are also common, especially when dealing with topics involving networks and coalitions.
- Provided five Iraqi Civil Society and Independent Media Program (ICSP) staff development sessions to approximately 44 participants in order to build the skills of the

staff in monitoring and evaluation, grants and in advancing the capacity building sector work plan. This includes organizational assessment and training interventions.

- Conducted 12 forums for approximately 600 women participants on the topics of national reconciliation and citizens rights and responsibilities.
- IRRF funding for Civil Society and Independent Media Programs ended September 30. The following is a synopsis of accomplishments.
  - Prior to the rise of the Ba’th Party to power, Iraq enjoyed a productive civil society organized along richly diverse lines: tribal, ethnic, cross-ethnic, geographic, ideological, religious, and professional. Today, the USAID-launched ICSP is working to revive the country’s civil society sector as a crucial pillar supporting a pluralistic, more democratic Iraq. Since August 2004 when the program began, the ICSP has implemented: 1,300 workshops; 3,000 technical assistance sessions; 280 public forums and conferences; and 1,000 resultant actions taken by CSOs to advance self-defined agendas in the service of their constituencies. With citizen input in the decision-making process, laws and constitutional amendments have been debated and passed. Watchdog groups have identified, exposed, and rectified abuses of power, and hundreds of CSOs have advocated for and empowered women’s free and active participation in society. Awareness of citizens’ rights and responsibilities and the costs and impacts of corruption on society has reached millions of homes and institutions – from rural families still operating under archaic tribal laws to the offices of Iraq’s President and Prime Minister. In the coming year, the ICSP will continue to build the capacity of the country’s CSOs with an emphasis on long-term sustainability. Funding for these next activities will come from other USG sources in the future.

#### **Accomplishments anticipated next quarter:**

##### **Department of State/DRL**

- Hold training over two days on leadership qualities and women in politics in Irbil for approximately thirty young women members of NGOs and female student activists. The first day will feature training on defining leadership, identifying qualities of a good leader, the importance of women’s involvement in decision making positions, and women’s involvement in politics. The second day will be individual success stories from female Kurdish MPs.
- Complete a handbook on rules and procedures that will be given to all MPs and parliamentary staff, including: (1) a FAQ on the rules themselves; (2) a diagram showing the procedure for a bill becoming a law; (3) a list of definitions of key parliamentary terms; and (4) "tips on questioning a government official."

- Support twenty Iraqi NGOs that will begin advocacy and civic outreach activities throughout Iraq. Many of the activities will directly channel public opinion to government decision makers.
- Continue work with the multi-party women's caucus, including training on message development, legislative action, public advocacy training, and coalition building.
- Continue working with parties in the COR on strategic outreach as well as using their ministers effectively.
- Conduct intensive, multiple-day political party development training seminars in Amman, Jordan and Irbil, Iraq. There will be over 100 political party members and representatives from major Kurdish, Sunni, and Shia parties taking part in the seminars.
- Provide political party development that will cover: political party structure and organization, internal party democracy concepts, party platform development, message development, issue and demographic research, and the use of public opinion polling and candidate recruitment.
- Conduct analyses of the national public opinion poll completed in Iraq in September. The survey contained approximately thirty questions with a sample size of 3,000. The survey is useful to identify key policy issues important to the electorate of Iraq.
- Share the national public opinion poll data with Iraqi political parties in order to help guide their platform and assist the parties to incorporate relevant policy issues in their political campaigns and message development. The results will also be distributed to Iraqi government officials and Iraqi CSOs.
- Organize a follow-on research training led by an expert trainer in the field of parliamentary research.
- Facilitate and conduct advanced communications training for the Communications Directorate and other COR press staff and MPs.
- Take steps to begin establishing a press gallery for local and international media.
- Continue to explore options within the current legislature building for a recording studio.
- Continue to build capacity and develop Iraqi think tanks in the policy-making process.
- Hold one conference for women's MPs in northern Iraq during October to include media training, legislative training, and building of skills on constituent-relations. The training will include approximately 25 women MPs and will last for five days.
- Hold a series of two to three trainings focused on media, legislation, and constituent relations for women members of local councils. Each training will host approximately

twenty to thirty participants each and will be two to four days long. Members will most likely be grouped on a regional basis (Northern, Central, and Southern Iraq).

- Implement approximately nine workshops on national reconciliation, six in Baghdad, two in Kirkuk and one in Basrah. Workshops will be attended by approximately 30 participants each for a total of 270 persons.
- Host three one-hour radio programs disseminating the concepts of national reconciliation from both religious and political perspectives.
- Continue to conduct and obtain data from results of national survey research and seek out relevant issues of importance to the electorate of Iraq. The survey will be fielded in December.
- Hold follow up trainings for major bloc Shia, Sunni, and Kurdish parties. The topics will include crisis management, expanded discussion on internal party democracy, survey research, and platform and message development.
- Complete 7,000 to 8,000 detailed interviews.
- Complete preliminary analysis on three case studies from the three northern governorates.
- Prepare materials for broadcast in Arabic and Kurdish on key radio stations that will reach an estimated three to four million listeners.
- Prepare preliminary materials for publication in Arabic and Kurdish newspapers.
- Complete prison and police human rights training manuals in Arabic and Kurdish.
- Monitor pilot university human rights course at the University of Sulaymaniyah.
- Design and manage a six-week train-the-trainer workshop on gender justice and human rights in conjunction with a local NGO.
- Select candidates to attend the training and form the Human Rights Defenders Network (HRDN).
- Continue working with Human Rights Without Frontiers (HRWF) on designing the training program and make logistical arrangements to hold the training in Jordan.
- Disseminate preparatory reading materials to the candidates that will participate in the training and hold the one week-long training session in Jordan.
- Invite trained NGOs to participate, develop a mission statement and statement of values, and establish protocol and operating procedures for the HRDN (e.g., issues affecting privacy and security of information).



- Print and distribute the Human Rights Trainer's Manual and Trainees' Handbook.
- Continue holding the human rights education workshops in cooperation with MoHR.
- Produce and broadcast 16 radio programs on basic education on human rights, addressing fundamental articles in the Universal Declaration of Human Rights and other international documents. The program will host human rights activists and experts to discuss such rights and their importance to ordinary Iraqi citizens.

### **Women's Democracy Initiatives (State - DRL and G/IWI)**

- Organize training for staff of the MoHR and Ministry of Women's Affairs (MoWA) in Washington, D.C. with a focus on: project administration, media and public advocacy, policy making and strategic planning, and administration and finance.
- Continue to pursue public/private partnerships to support grassroots Iraqi businesswomen through the Iraq Women's Economic Empowerment Working Group and the Iraqi Women's Gift Fund.
- Continue to work on the economic empowerment of Iraqi women through coordination of the Iraq Women's Economic Empowerment Working Group subcommittees focused on creating an "Adopt-an-Entrepreneur" program and online business education in Arabic for Iraqi women entrepreneurs.
- Continue efforts to connect grassroots Iraqi women artisans with the IFC's Artisan Market and Café, "Pangea," and other interested stores, to help expand their markets and gain access to U.S vendors.

### **USAID Local Governance Program**

- Assist all 18 governorates in using the GOI's accelerated regional development funds and, where necessary, deliver additional training and technical assistance to enable the PCs to access and use the funds.
- Continue roll out of the LGP training modules on strategic planning in all governorates. These training sessions will enable the governorates to establish joint legislative, PC, and executive (Department Directors General) committees to prepare Provincial Development Strategies (PDS) that are consistent with requirements and guidelines of the Ministry of Planning. The Ministry of Planning then will be able to roll up the PDS into the national plan in 2007.
- Continue to implement the core training modules on council organization, functions, roles and responsibilities, and finance and strategic planning. Focus will be placed on Al-Anbar PC as they have not been as active as other PCs because of the challenging

security environment in the governorate preventing the PC from meeting at the Government Center in Ramadi.

### **Election Support and Voter Education**

- Iraq Relief and Reconstruction Funds (IRRF) for Election Support and Voter Education activities in Iraq have been disbursed. DRL/State will continue similar activities in the future.

### **Civil Society and Independent Media Program**

- ICSP will continue limited activities under the Rule of Law project code. ICSP will no longer be supported by this project code.

### **Community Action Program**

- Complete 200 new community projects worth over \$20 million to include supplying the Al Karama Hospital for medical equipment and the installation of electricity cables in the Baghdad governorate, benefiting over 70,000 people.
- The IRRF CAP program is scheduled to end December 31, 2006. After the completion of on-going and anticipated projects the implementing partners will begin the close-out process.

### **Marla Ruzicka Iraq War Victims Fund** **Project Code: 06050**

**Responsible U.S. Government Agency: USAID**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	-	-	-	25	+5	30	20	9
Change from April	-	-	-	-	-	-	-	+10	+9
July 2006	-	-	-	-	25	5	30	30	18

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency: USAID**

**Changes from the July Report:** This report maintains the \$30 million allocation in this project code.

Funds dedicated to the Marla Ruzicka Iraqi War Victims Fund (MRIWVF) are used to assist individuals, families, and communities harmed as a result of coalition military operations.

Projects vary greatly, and include medical assistance, trauma counseling, income generation, home and public building repair, and assistance to local organizations supporting war victims.

Community members and the beneficiaries themselves are involved in all stages of the program, including project identification, design, prioritization, and implementation. However, the staff of CAP implementing partners visits the families to determine their eligibility for the program. Victims are eligible if they have lost their family breadwinner, or lost a limb as a result of the activities of the coalition forces.

To date, 1,016 projects valued at \$12.8 million have been sponsored by the Marla Fund. These projects have assisted nearly two million beneficiaries either directly and/or indirectly, generated 148,475 employment days and employed 1,294 people in long-term jobs.

The number of victim families is very high and there are not sufficient funds to help all the individuals or families who meet the tough eligibility criteria. It was decided that the totality of the family's circumstances will be reviewed and no single criterion will be used. The most important selection criteria are poverty and dire need, the victim is the only family breadwinner, geographic location, and good documentation, including strong proof of causation. The last criterion, proof of causation, is often problematic, particularly in certain areas because police records are hard to obtain and some areas did not establish police stations until 2004.

For many Marla Fund recipients, establishing small businesses for the victims and/or their families provides much-needed family income and one or two full-time jobs, and gives families a small economic base to help them overcome their loss. Many of the new businesses have been agricultural, such as cow or sheep raising farms. The Marla Fund also has supplied support to start grocery shops, electrical appliance shops, tire or puncture repair shops, and small appliance repair shops. A number of female-headed households also requested sewing supplies and equipment to start their own small enterprises.

One major change this year was to incorporate business development training into the Marla Fund program. Before a Marla Fund recipient receives a grant to begin a small business a certain level of training is required. Therefore, after a family is determined eligible, a family member will attend the business training and then afterwards, he or she will work with a CAP implementing partner staff person to choose a business that meets his or her abilities and needs.

#### **Accomplishments since the July Report:**

- Ninety-six completed projects valued at approximately \$1.1 million which created 187 long-term jobs and generated 8,108 employment days.

**Accomplishments anticipated in the next quarter:**

- Complete 72 new projects valued at \$1.1 million, creating over 100 long-term jobs and over 1,000 short-term jobs.

**United States Institute of Peace (USIP)****Project Code: 07000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	10	-	-	-	-	-	10	9	9
Change from July	-	-	-	-	-	-	-	+1	+1
October 2006	10	-	-	-	-	-	10	10	10

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** U.S. Institute of Peace (USIP)**Changes from the July Report:** This report maintains the \$10 million allocated for USIP.**Accomplishments since the July Report:**

- Translated material into Arabic for future online courses (projected curriculum includes courses in Negotiation, Mediation, and Cross-Cultural Communication) (~\$30,000).
- Completed Special Report, "Weak Viability and Equity: The Iraqi Federal State and the Constitutional Amendment Process," which will be accessible on the USIP website shortly. The process of translating the report into Arabic is underway (~\$6,000).
- Held second Minorities Conference July 26-28 in Amman, Jordan. Eight Iraqi minority groups (totaling 26 people), four members of Parliament, and two representatives of the Ministry of Human Rights attended. The conference was an opportunity for the Iraqi minorities to come together, discuss their concerns about the new Constitution, and develop a list of recommendations addressing their concerns for future action and lobbying purposes (~\$55,000).
- Conducted two SENSE training sessions for Kurdish Regional Government officials in Irbil and Sulaymaniyah. Additionally, began planning with the Baghdad PRT to conduct a SENSE simulation for members of the Baghdad Provincial Council (~\$5,000 from IRRF and the rest from alternate source of funds).
- Sponsored and facilitated a roundtable entitled, "Safeguarding Judicial Independence in a Federal Iraq" in Istanbul, Turkey, 15-17 September 2006. The conference provided an opportunity for Iraqis judges, lawyers, and law school faculty to meet and learn from international experts in judicial systems. The conference also provided a forum for

development of recommendations for the Constitutional Review Committee pertaining to the structure and functioning of the Iraqi judiciary (~\$72,000).

**Accomplishments anticipated in the next quarter:**

- Hold a Sunni/Shia dialogue on constitutional review for mid-November that will follow up on the Sunni conference (February) and build on inter-sectarian bridges being forged by USIP's Iraqi staff, affiliates, and partners. Timing will be determined by evolution of the constitutional review process (~\$150,000).
- Partner with organizations to insure that Iraqi civil society is engaged and informed about the constitutional review process. USIP had much success with similar work during the constitution drafting period by collecting feedback from the public for the drafting committee (~\$80,000).
- Produce a Kurdish version of "Confronting the Truth", a documentary on the truth and reconciliation processes of four countries: South Africa, Peru, East Timor, and Morocco. This project reflects USIP's continued effort to educate the Iraqi public and policy makers about different mechanisms through which to confront abuses of the past (~\$26,600).
- Finish publication of the USIP Guide to Participants in Peace, Stability, and Relief Operations (\$32,000).

## SECTOR: Electricity

IRRF funding continues to focus on providing a foundation for a robust network through rebuilding and expansion rather than constructing a completely new system. The new Minister shares this focus. Dr. Karim W. Hasan, the Ministry of Electricity (ME), is pushing alongside the Iraq Reconstruction Management Office (IRMO) to achieve positive results by seeking to overcome the obstacles that USG efforts continue to face: interdiction of electricity transmission lines and fuel pipelines; shortages of optimal fuels to operate power generation plants efficiently; unplanned outages due to weakened infrastructure; and a consistent increase in demand since liberation as the Iraqi economy grows. The combination of these factors reduces the visibility to consumers of improvements in the electric sector.

As part of this effort, IRMO coordinates regular meetings with the Ministry, GRD, USAID, and donors. These meetings have been vital to the progress of generation, transmission, and distribution projects by enabling the participants to jointly solve technical and operational problems. Focus for the next quarter will be on the following areas:

- **Equitable Distribution and Reliability:** The USG and the ME share a mutual concern about the continued problem of transporting power from the North and South to provide equitable hours of power to all regions of Iraq, particularly Baghdad. Distribution projects, therefore, are currently underway to maximize the availability of electricity throughout Iraq. One key USG project is the installation of an automated control system. When completed in April 2007, this system will decrease the reliance on manual operators and implement control mechanisms that alert operators of imbalances in power transmission. The system should reduce system interruptions and power outages.
- **Operations & Maintenance (O&M):** The long-term success of reconstruction relies heavily on the ability of the ME to execute an effective O&M program. The O&M support agreement, signed in the previous quarter, was terminated for performance-related issues, but re-executed in July. As new and rehabilitated generation plants come on line, successful contract implementation will help reduce rates of machine degradation, extend machine longevity, and institutionalize a proactive O&M culture throughout the ME. When the new central monitoring facility is complete, the O&M contractor will provide personnel to help the ME monitor these power plants and conduct predictive maintenance analysis. The USG is also currently assisting the ME to schedule and conduct routine maintenance, implement a long-term maintenance program and, under the Ministerial Advisory Team, to adopt business practices that maintain capital assets turned over to the Ministry.
- **Budget Execution and Contract Development:** The ME has experienced delays in awarding contracts. USG agencies under IRMO leadership continue to assist ME officials to implement their budget and expert assistance with legal and contract issues will be provided.
- **Capacity Development and Ministerial Advisory Team:** In order to move toward an efficient, productive, and self-sustaining organization, the ME needs to develop and

enhance skills, systems, and resources to improve institutional, organizational, and individual capacity to perform functions, solve problems, and set and achieve objectives. IRMO has partnered with the ME to establish a fully functional ME-led Ministerial Advisory Team, which includes USG agencies and other donors. The project will provide experts to work closely with the ME, including: management structure and strategic planning; system and project management; legal department and contract training including aspects unique to infrastructure projects; metering, billing, and collections; and tariff and regulatory reform.

- **Asset Recognition and Hand Over:** IRMO is working with GRD and USAID in a formal process to hand over care and custody of capital assets provided by the USG. This process is meant to provide the Ministries of Electricity, Finance, and Planning the necessary information to recognize and budget for the sustainment of capital assets.
- **Fuel Issues:** As generation projects are commissioned and brought on line, the issue of fuel supply grows substantially more critical. The frequent interdictions to crude and natural gas lines further burden the available fuel supply and force the ME to burn less than optimal fuels. Use of incorrect fuel has consequently diminished power generation and led to higher O&M costs. Actions are underway between the ME and Ministry of Oil (MoO) to develop plans for further pipeline additions and associated equipment at the power facilities to ensure adequate and higher quality fuels.
- **Completion of Daura Power Plant:** Rehabilitation of Thermal Unit 6 has been delayed due to the incomplete work under the responsibility of the ME and its subcontractors. Under the direction of the Minister the ME has committed to complete the necessary requirements to bring the unit on-line as soon as possible. At the same time, IRMO has awarded a contract to provide start up and commissioning assistance; and a project execution plan has been developed in partnership with the ME.
- **ME New Generation Projects:** IRMO continues to work in partnership with the ME to facilitate technical assistance and logistical and security support with the help of MNF-I to complete key generation projects, including:
  - Samarra Power Plant generators to add 340 MW operating on heavy fuel oil
  - Mussiab Gas Turbine Power Plant to add 500 MW operating on diesel produced from a 40,000 barrel per day topping plant
  - Najaf Power Plant to add 246 MW operating on natural gas
  - Baghdad South Power Plant to add 400 MW operating on heavy fuel oil
  - Haditha Power Plant to add 230 MW operating on diesel
  - Hurriah Power Plant to add 60 MW operating on diesel
  - Baghdad North generator to provide 55 MW operating on heavy fuel oil
- **Unplanned Outages and Delays:** Several major events affected the expected power generation and transmission during the summer months. Baghdad's average hours of power have significantly lagged behind the rest of Iraq for the past year partially due to the inability to transfer power from large plants in northern and southern Iraq. In the

north, sabotage and, to a lesser degree, weather-related damage of transmission lines has prevented the transfer of up to 600 MW of power to Baghdad. In late August, the Northern provinces were effectively isolated from the middle and southern regions. All of the 400kV power lines to the north were out of service. Repairs were delayed or prevented due to security threats to line crews. In the south, inequitable power sharing has resulted in further losses. The combined loss resulted in Baghdad's average hours of power to be 4 to 8 below the rest of Iraq. The USG is assisting the GOI to improve its linear security and rapid repair capability and to enforce power sharing agreements.

## Generation

**Project Code: 40000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
2207 Report									
July 2006	1,870	-272	10	-	16	112	1,736	1,423	1,094
Change from July	-	-	-	-	-		-	+82	+123
October 2006	1,870	-272	10	-	16	112	1,736	1,705	1,217

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense and USAID

**Changes from the July Report:** This report maintains the \$1,736 million allocated to Generation.

**Accomplishments since the July Report:**

## DoD/GRD

- Completed the hot gas path inspections of two Siemens V94.2 generators (2x100 MW) and combustion inspections on two other V94.2 generators (2x130 MW) at the Bayji Power Station. The work included upgrading two of the unit's combustors, increasing output by 30 MW at cost of \$58 million. The increased capacity will provide serve an additional 27,000 Iraqi homes with electrical power.
- Completed the combustion inspection of a Siemens V-64.3 combustion turbine (65 MW) at the Kirkuk Power Plant (\$3 million).
- Completed the installation and commissioning of a new LM2500 turbine generator (20 MW) at the Bayji Power Station. Of the remaining units, 3 additional units were commissioned and operating during September. The work on the 3 remaining units is scheduled for completion in November (\$3 million).
- Rescheduled refurbishment of GE Frame 5 turbine generator (21 MW) at the Shuaiba Power Station reported last quarter as an anticipated accomplishment. At the request of



the ME, rescheduled project start to November 2006 to allow the unit to continue operation, at reduced capacity, during the summer peak-demand (\$2 million).

- Started the construction of the Central Monitoring System building and the design of the Central Monitoring System. The system will use the newly constructed V-SAT communication system to provide real-time monitoring of about half of the Ministry's combustion turbine engines at a central location where engineers will analyze the data and direct maintenance and trouble-shooting support (\$11 million).
- Continued the O&M Support Training for various machines and engineering disciplines. Training modules include: Siemens generators, GE 9Es, vibration, LM2500/6000, and others. The program includes a train-the-trainer component in conjunction with the Ministry's Central Training Program (\$1 million).
- Continued the O&M Spare Parts Program, in which high priority emergency and operating spares are procured to increase sustainability of generation units for the Ministry. The Ministry has the capacity to install the majority of spare parts. Training of Ministry personnel continues to broaden and fortify basic maintenance skills.
- Re-awarded and re-started the contract to provide Long-Term O&M Support; this will provide advisory services for generation sustainability to the Ministry. The project includes on-site training and mentoring at eight key sites (\$75 million).
- Completed the refurbishment of three LM6000 engines (3x33 MW) at the Qudas Power Station. Note: This project was also reported as a completion in last quarter's report, however, completion schedule slipped after sector submission. Actual completion was 31 August (\$8 million).
- Made progress completing the construction of the O&M V-SAT communication system. The system will provide broadband satellite services, including voice-over-internet-protocol (VOIP) phone and internet access, to about 40 Ministry generation plant offices. Schedule slipped due to local contractor delays in installing the equipment. Completion is scheduled for November and the GRD program manager is working with the local contractor to avoid further delays (\$2 million).
- Awarded and started the designs and pre-mobilization work for the Qudas Power Plant Expansion. The project will install two new GE Frame 9 gas turbines at the plant, providing new generation of 200 to 235 MW (depending on type of fuel used) and capacity to serve 181,000 to 235,000 Iraqi homes. The expansion will also strengthen the Baghdad Ring and mitigate Baghdad power shortages due to interdictions of transmission lines bringing power to Baghdad from the north (\$160 million).

## **USAID**

- Completed spare parts procurement and delivery for USAID Operations and Maintenance project (\$87 million direct costs).

- Completed final documentation and closeout for power generation projects at Kirkuk, Baghdad South, and Doura plants.

#### **Accomplishments anticipated next quarter:**

##### **DoD/GRD**

- Start the refurbishment of the GE Frame 5 turbine generator (21 MW) at the Shuaiba Power Station (\$2 million).
- Complete the O&M support training for various machines and engineering disciplines. Training modules include: Siemens generators, GE frame 9Es, LM2500/6000, and others. The program includes a train-the-trainers component in conjunction with the Ministry's Central Training Program (\$1 million).
- Start the construction of the National Training Center. The center will provide training in the basic skills required to operate and maintain generation plants, transmission and distribution substations, and overhead lines. These skills are essential to ensure that the electrical system is reliable and operates efficiently with a minimum down-time due to unscheduled equipment shutdowns or failures (\$9 million).
- Start and complete the advanced power system modeling/simulation training for ME planning engineers. This training builds on prior training given in November 2005 and January 2006. The trainees will acquire advanced skills in the use of an industry standard, transmission planning software. Note: This project was reported as an accomplishment in last quarter's report, however, completion schedule slipped at the last minute before submission of this section of the report. Actual start and completion are scheduled for October 1 and October 31, respectively (\$400,000).
- Complete the repairs of two generator rotors at the New Mullah Power Plant (\$1 million).
- Start the installation of a new IT System for the ME. The system will include hardware and installation of a new local area network, e-mail, and virtual private network, improving ME business operations (\$10 million).
- Start the designs for the Computerized Maintenance Monitoring System (CMMS) for six combustion plants and the central monitoring facility. The CMMS will provide the ME with a central system to monitor inventory and equipment maintenance, improving power generation levels and plant reliability (\$15 million).
- Start the installation of a gas purifying facility at the Nasiriyah Power Plant. The facility will process and purify the fuel used in gas turbines, reducing maintenance requirements and unit outages (\$4 million).

- Complete the construction of the O&M V-SAT communication system. The system will provide broadband satellite services, including voice-over-internet-protocol (VOIP) phone and internet access, to about 40 Ministry generation plant offices (\$2 million).
- Start work at the Doura Thermal Power Plant to complete the refurbishment of Unit No. 6 and to improve the thermal fuel handling. The project, initiated by USAID and turned over to DOD/GRD for completion, will restore 160 MW to the grid, adding capacity to serve 127,000 Iraqi homes (\$12 million).
- Complete the repair work on the mobile GE LM2500 engines (2X20 MW), Units 1A and 1B, at the Bayji Power Plant (\$3 million); sustaining the capacity to serve 36,000 Iraqi homes.
- Complete the installation and commissioning of a new LM2500 turbine generator (20 MW) at the Bayji Power Station sustaining the capacity to serve 18,000 Iraqi homes with electrical power (\$3 million).
- Complete the combustion inspection of a Siemens V-64.3 combustion turbine (65 MW) at the Kirkuk Power Plant (\$3 million); sustaining the capacity to serve 59,000 Iraqi homes with electrical power.
- Complete the installation of a GE Frame 5 turbine generator (21 MW) at the Old Mulla Power Station providing electrical power to the grid with the capacity to serve 19,000 Iraqi homes (\$3 million).
- Complete the construction of the Central Monitoring System building (\$1 million) and start the system installation work (\$10 million). The system will use the newly constructed V-SAT communication system to provide real-time monitoring of about half of the Ministry's combustion turbine engines at a central location where engineers will analyze the data and direct maintenance and trouble-shooting support.
- Continue the designs, procurement, and pre-mobilization activities for the Qudas Power Plant Expansion. The project will install two new GE Frame 9 gas turbines at the plant, providing new generation of 200 to 235 MW (depending on type of fuel used) and capacity to serve 181,000 to 235,000 Iraqi homes. The expansion will strengthen the Baghdad Ring and help against power shortage in Baghdad due to interdictions of transmission lines in the north (\$160 million).
- Complete the O&M Spare Parts Program, in which high priority emergency and operating spares are procured to increase sustainability of generation units for the Ministry. The Ministry has the capacity to install the majority of spare parts. Training of Ministry personnel continues to broaden and fortify basic maintenance skills.

## USAID

- Start and complete repair work on Kirkuk V94 gas turbine and perform root cause analysis to determine applicability of Siemens equipment warranty. This will restore 260MW to the power grid.

### Transmission

**Project Code: 41000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	783	477	-18	-90	-16	-75	1,061	724	338
Change from July	-	-	-	-	-	+42	+42	+311	+112
October 2006	783	477	-18	-90	-16	-33	1,103	1,035	450

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to increase this project code by \$42.5 million, reallocating funds from Network Infrastructure (PC 42000) \$23 million, Education (PC 06300) \$8.5 million, Police Training and Technical Assistance (PC 10000) \$178,000, Border Enforcement (PC 11000) \$726,000, Facilities Protection Service (PC 12000) \$1.9 million, Public Safety Training and Facilities (PC 15000) \$2.2 million, Vocational Training (PC 02001) \$774,000, IAF Equipment (PC 21000) \$2.9 million, IAF Training and Operations (PC 22000) \$179,000, ING Operations and Personnel (PC 23000) \$32,000, ING Equipment (PC 24000) \$2.2 million, in support of existing projects such as completing the transmission line from Tameen (Kirkuk) to Diyala.

### Accomplishments since the July Report:

- Started the reconstruction of the Umm Qasr 132kV Substation in Basrah (\$14 million).
- Started the construction of the Hartha – Khor 400kV overhead line (\$2 million).
- Complete the delivery and turnover to the ME of the Al Qaim 132kV Mobile Substation in Ramadi (\$2 million).
- Completed the rehabilitation of the Washash 132kV substation (\$20 million).
- Completed the rehabilitating of Akarkuf 132kV substation (\$12 million).

**Accomplishments anticipated next quarter:**

- Start the procurement and installation of the 132kV mobile substation in Samarra, Salah ad Din (\$2 million).
- Complete the rehabilitation of the Diyala 400kV substation (\$12 million).
- Complete the construction of the Baghdad East, Baghdad North, and Baghdad South 400kV Substation Extensions (\$15 million).
- Start the construction of the new South Sulaymaniyah 132kV substation (\$24 million).
- Start the construction of the new Shatra and Nasiriyah 132kV substation (\$11 million).
- Start the rehabilitation of the Hilla South to Hashemiya to Shamiya 132kV overhead lines (\$30 million).
- Start the reconstruction of the Babil to Karbala 132kV two overhead lines (\$10 million).
- Start the construction of the Baiji to Haditha to Qaim 400kV overhead line in the Anbar and Salah al-Din governorates (\$47 million).
- Start the rehabilitation of the Fallujah 132kV substation in the Anbar governorate (\$15 million).
- Start the construction of the new Aqra 132kV substation in the Dahuk governorate (\$18 million).
- Start the rehabilitation of the Al Qaim 400kV substation in the Anbar governorate (\$16 million).
- Start the construction of the new Ghammas 132kV substation in the Najaf governorate (\$15 million).
- Start the construction of the new Dahuk to Aqra 132kV overhead line in the Dahuk governorate (\$19 million).
- Start the rehabilitation of the Ramadi 132kV substation in the Anbar governorate (\$29 million).
- Complete the construction of five Cluster Pump 132kV substations in the Basrah governorate (\$43 million).
- Complete the rehabilitation of four 132kV substations in the Basrah governorate (\$52 million).

- Complete the rehabilitation of the Baghdad East substation (\$14 million).
- Complete the rehabilitation of the Diyala 400kV substation (\$12 million).
- Complete the rehabilitation of the Agarkuf 132kV substation (\$12 million).
- Start the construction of a new 132kV substation in East Diwaniyah (\$21 million).
- Start the construction of the new Nasiriyah to Shatra 132kV overhead line in the Thi-Qar governorate (\$15 million).
- Start the construction of the new Farabi and Jameela 132kV substation in Baghdad (\$50 million).
- Start the start the designs, procurements and pre-mobilization work for the Kirkuk to Diyala to Al Ameen 400kV overhead lines (\$49 million).

#### **Distribution Network Infrastructure**

**Project Code: 42000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	987	302	-	-	-37	-	1,252	1,182	759
Change from July	-	-	-	-	-	-23	-23	+15	+122
October 2006	987	302	-	-	-37	-23	1,229	1,197	881

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$23 million, reallocating funds to Transmission (PC 41000) to support the existing projects.

#### **Accomplishments since the July Report:**

- Started construction of eight Baghdad essential services distribution low voltage network and 11kV feeder projects. The construction start of Yousifiya 33/11kV substation, reported as an anticipated accomplishment last quarter, slipped to October due to security issues (\$7 million).
- Completed three Baghdad essential services distribution low voltage network projects (\$1 million).

- Started construction of 12 low voltage network, 11kV feeder and substation rehabilitation projects nationwide (\$4 million).
- Completed construction of seven low voltage network and 11kV feeder projects nationwide (\$1 million).
- Started the construction of four new 33/11kV substations and two new 33kV feeder projects in Al Anbar (\$11 million).

**Accomplishments anticipated next quarter:**

- Start construction of 20 Baghdad essential services distribution projects including four low voltage networks, the Hamad Shiab substation 11kV feeders and the Yousifiya 33/11kV substation (\$39 million).
- Complete construction of 13 Baghdad essential services distribution low voltage network and 11kV feeder projects (\$12 million).
- Start construction of 23 low voltage network, 11kV feeder and substation rehabilitation projects nationwide (\$21 million).
- Complete construction of 26 low voltage network and 11kV feeder projects nationwide (\$10 million).
- Start the construction of the Abu Ghriab 33/11kV substation and feeders (\$3 million).
- Start the construction of the Mhanawia 33/11kV substation in Diwaniyah (\$2 million).
- Start 11 procurement projects to purchase and deliver materials to the ME for low voltage distribution network work in Fallujah (\$10 million) and the construction of the Fallujah Laydown Yard, where the materials will be stored (\$5 million).
- Start the construction of the 33kV feeders for the Khan Dhari-Alban substation in Baghdad (\$2 million).
- Start the construction of the Al Salem 33kV overhead feeders in Diyala (\$2 million).
- Start the construction of the Al Muthanna 33/11kV Substation in Salah ad Din (\$3 million).
- Start the construction of 18 distribution network rehabilitation projects in Sadr City (\$25 million).

**Automated Monitoring and Control System**  
**Project Code: 43000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
2207 Report									
July 2006	150	-23	-	-	-	-	127	112	64
Change from July	-	-	-	-	-	-	-	+4	+11
October 2006	150	-23	-	-	-	-	127	116	75

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report maintains the \$127 million allocated for the automated monitoring and control system.

**Accomplishments since the July Report:**

- Completed additional commissioning training of Ministry engineers in Amman, Jordan.
- Installed 80% of the Program Logic Controllers (PLC) countrywide. Ultra High Frequency (UHF) communication system was delayed one month due to frequency assignment issues, now resolved.
- Commissioned the substation control systems at 26 selected sites.
- Started installing wave traps and line tuners at substation sites.
- Started commissioning the power line carriers (PLCs) and Remote Terminal Units (RTU) in the north and south regions.
- Installed and commissioned the north and south regional control center master computers.

**Accomplishments anticipated next quarter:**

- Install and commission the Baghdad Microwave Ring communication network.
- Deliver equipment to the ME for upgrade and expansion of the Baghdad Distribution SCADA System. This will increase the number of substations from seven to 70 that are under supervisory control. This will allow better automated control of the electrical distribution grid and add transparency to load shedding (\$7 million).
- Complete the installation of equipment and master computers at the Central Regional Control Center as well as at 37 substations. The center will provide supervisory control of the 132kV grid in that region (\$13 million).



- Continue the construction of the National PLC network rehabilitation. This project provides the Ministry with internal communication systems over the 132kV power lines and integrates with the regional wireless communication network to provide protection, data, and voice communications (\$32 million).
- Complete the construction of the Regional Wireless Communication Network. This project provides the Ministry with an internal communications system using microwave and UHF and integrates with the PLC Network to provide protection, data, and voice communications (\$5 million).
- Continue the commissioning of master computers at 32 substations at the Southeast Regional Control Center. The center will provide supervisory control of the 132kV grid in that region (\$12 million).
- Continue the commissioning of the master computers at 40 substations at the Northwest Regional Control Center. The center will provide supervisory control of the 132kV grid in that region (\$14 million).

## SECTOR: Oil Infrastructure

The 2006 Iraqi budget assumes \$28.1 billion in revenues, about 93% of which will be revenue from crude oil exports. By comparison, Iraq earned approximately \$17.5 billion from oil exports in 2004 and \$23.5 billion in 2005. Crude oil production of third quarter 2006 averaged 2.27 million barrels per day (mbd), a significant increase from the first half of 2006 of 2.04 mbd average. With respect to crude oil exports, the third quarter 2006 averaged 1.6 mbd, a significant improvement from the first half of 2006 with an average of 1.4 mbd and slightly above the Iraqi Government's average export target of 1.65 mbd. Exports have recovered because rehabilitation work on the loading arms at the offshore loading berths was completed and weather-related disruptions in the south passed. The recently refurbished loading berths at the Al Basra Oil Terminal (ABOT) have improved tanker loading efficiency and will increase more if the Iraqis lease tractor tugs. Completion of the new Kirkuk to Bayji 40-inch crude oil pipeline in mid-fall is expected to increase northern export capacity.

Crude Oil Production & Exports			
Millions of barrels per day (bpd)	July	August	September
Crude Production	2.20	2.24	2.35
Crude Exports	1.68	1.68	1.62

Post-war product demand has out-paced supply from current refinery production and the volumes imported by the State Oil Marketing Organization (SOMO). The IMF Stand-By Arrangement limits spending on fuel imports, and Iraq has stayed below the limit. The Council of Representatives passed a Fuel Import Liberalization Law on September 6 to end the government monopoly on fuel imports. The Ministry of Oil is developing implementing regulations. Once the private sector begins importing refined products, Iraq should see unofficial prices stabilize. Liquefied petroleum gas (LPG, the main cooking fuel) production will increase in the North once compression overhauls are completed by Parsons Iraq Joint Venture (PIJV) and boiler work is completed by North Gas Company (NGC). In the South, work is ongoing on rehabilitating the Natural Gas Liquids/LPG facilities at the South Gas Company (SGC) which is scheduled to be fully completed in November. The full potential of the plant will not be reached until the third train is repaired by SGC and the South Oil Company (SOC) finishes the gas capture work and the strategic gas pipeline is completed next year which will bring gas north for electric power plants.

IRRF projects continued to concentrate on repairing key oil production facilities and export infrastructure as well as improving the oil export terminal facilities in the south. A completion and workover company is working to bring on additional production from one field with drilled and cased, but uncompleted wells. The plan will also attempt to reduce damage due to water injection in another field by working over dead wells, then recompleting them to hopefully regain production lost to water injection volumes.

Construction is complete at the critical Al Fathah Tigris River oil pipeline crossing. Although the project is complete and capable of delivering all the oil produced in the North, it is not flowing at capacity because of the attack on the stabilization plant in February 2006 and the

interdictions and corrosion failures of existing pipelines. The new 40-inch crude oil pipeline between Kirkuk and Bayji will allow the North Oil Company (NOC) to produce significant volumes of crude oil and associated gas from shut-in wells once the stabilization plant #2, which strips hydrogen sulfide from the crude oil, is rehabilitated by North Oil Company by mid-2007. The 40-inch has been delayed since last year due to contractor issues with three canal crossings which now have been completed, and current repair of 14 weld defects by the State Company for Oil Projects (SCOP), the state-owned construction company, and hydrostatic testing before the line can be commissioned by the NOC.

The completed Gas-Oil Separation Plant (GOSP) projects in the north have added 300,000 bpd of crude oil production capacity. However, the February 1 insurgent attack against the oil stabilization plant #2 in Kirkuk removed the capacity to process one million barrels per day. NOC is presently procuring material to restore stabilization plant #2 and repairs will not be completed until mid 2007. NOC is presently straight-lining one unit back into production and hopes to add back 225,000 barrels processing capacity in the early fall. The older stabilization plant #1 in Kirkuk was brought on-line and can process up to 500,000 bpd. Sulfur removal is required prior to shipment, domestic use or export of crude oil from northern Iraq. The Ministry of Oil (MoO) and NOC are working to restore all four processing units to plant #2 and hope to restore full capacity by summer 2007. Despite these limitations, continued corrosion failures, leaks, and pipeline interdictions of the pipeline transport remain the biggest problems in reestablishing exports through Turkey.

Construction has been completed on the loading arm refurbishment of ABOT Berths 1-4. This refurbishment will in the future provide up to six million barrels of oil per day loading capacity once original designed pumping capacity is restored and the offshore pipelines are rehabilitated or replaced. The limiting factors for full flowing capacity are the condition of the offshore pipelines and the lack of pumping capacity at Al-Faw which was destroyed in 1991 and has not been rebuilt. The MoO is expected to increase crude oil storage in Al-Faw by 1,250 million barrels of oil; however, the project is delayed until a dispute with the Chinese manufacturer is resolved. Further enhancements to ABOT are in progress, to include adding turbine meters and control rooms with redundancy to operate all four berths plus the Emergency Shutdown systems from either platform "A" or "B." It will enhance the facility capacity while improving its reliability and safety. SOC continues to complete new wells in the West Qurna field to maintain and increase production levels. IRMO is assisting SOC with U.S. exporting licensing and procedures to facilitate the import of U.S.-manufactured perforation charges to complete some of these wells.

**Oil Infrastructure**  
**Project Code: 50000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	1,200	497	4	13	6	-	1,719	1,643	993
Change from July	-	-	-	-	-	-	-	-43	+143
October 2006	1,200	497	4	13	6	-	1,719	1,600	1,136

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$1,719 million allocated to this project code for Oil Infrastructure.

**Accomplishments since the July Report:**

- With the completion of the AB2 compressor project the Oil Sector construction scope of work in the North Iraq has been completed. The D/B Contractor, PIJV, handed over the camp at the Kirkuk Regional Air Base to the Gulf Regional Division North and Provincial reconstruction team. PIJV have now fully relocated to Basra to complete the southern projects (\$193 million).
- Completed nine GOSP rehabilitation projects in the south. These facilities increased processing capacity by approximately 400,000 bpd of crude oil and deliver feed gas to the NGL (natural gas liquids) and LPG (liquefied petroleum gas) plants at North Rumaila and Khor Zubair. Three GOSP projects were delayed to the next quarter due to late deliveries of materials (\$53 million).
- Completed compressor station rehabilitation at locations designated as CS-2 and CS-5 for the SOC. They will provide feedstock to the NGL and LPG plants. The compressor station at South Rumaila (SR 3R) was delayed to next quarter due to slow construction progress (\$22 million).
- Completed repairs and commissioning of Pratt and Whitney gas turbine generator to supply power to cluster pump station, CPS-5, in North Rumaila oil field. Provides independent (from the grid) power and sustainable operation of water injection pumps to maintain oil field reservoir pressure (\$9.0 million).
- Completed the supply of operational spares, tools, and equipment to NGC (\$11.5 million).
- The commissioning and start-up of the dehydrator project at the compressor station at Ajeel was de-scoped due to high cost of security. All equipment has been handed over

and the construction is 90% complete. The remainder of the project will be completed by the NOC.

- Completed remaining work at Zegeton and Riyadh Canal Crossings in the Bayji-Kirkuk Corridor. These projects were repeatedly delayed due to security concerns and were ultimately completed by a subcontractor with MNF-I providing on-site security (\$5.8 million). Remaining work to make the pipeline operational will be performed by the NOC.
- Procurement of valves and manifold parts for the NOC's new oil collection manifold at the Bai Hassan oil fields in northern Iraq was increased in scope extending final materials delivery into early 2007 (\$2.1 million).
- Started program to complete and/or rework wells in the West Qurna, North Rumaila, and South Rumaila oil fields. The project will service up to 80 wells and is projected to increase crude oil production capacity by over 300,000 bpd in the southern oil fields (\$97 million).
- Concluded operator training on heavy mobile equipment at the Basrah Oil Electricity Camp. Over 250 representatives from the state-owned operating companies were trained on vehicles, cranes, and other heavy equipment (\$0.3 million).

**Accomplishments anticipated next quarter:**

- Complete the three remaining GOSP projects at West Qurna and Zubair Mishrif in the south. These GOSPs process about 100,000 barrels of crude oil/day (\$38 million).
- Complete gas compressor station at site 3R in South Rumaila. This compressor will provide natural gas feedstock to the NGL and LPG plants in southern Iraq to support the production of 3,000 metric tons/day of LPG for the Iraqi people (\$16 million).
- Complete the nine cluster pump stations for water injection at Qarmat Ali. These facilities will increase the crude oil production capacity in the Rumaila fields by an estimated 200,000 barrel per day (\$29 million).
- Complete rehabilitation of the Water Treatment Plant at Qarmat Ali. Will provide purified water for the cluster pump stations for water injection. Purity is required to protect the oil formations (\$8.2 million).
- Complete construction repairs of the NGL plant at North Rumaila and one NGL plant and two LPG plants at Khor Zubair Central. Completion will increase LPG production capacity to 3000 metric tons per day (\$107 million).
- Complete well logging in the Rumaila fields and Phase 1 of logging and tubing replacement in the West Qurna fields. Will increase production to over 300,000 barrels

per day (\$47 million).

- Procure equipment, spare parts, and supplies to repair the drilling and work-over rigs of Iraqi Drilling Company (IDC) (\$15.2 million).
- Procure 3-D seismic equipment for the Iraq Oil Exploration Company. Will implement the use of modern techniques and technologies for locating and mapping oil reservoirs (\$11 million).

## SECTOR: Water Resources and Sanitation

Efforts during the past quarter were focused on initiating the remaining new water and water resources projects and continuing implementation of the \$110 million Water Sector Sustainment Program (WSSP) for 2006 and sector projects already in progress. The Irbil Ifraz water supply project and Wathba water treatment plant project were completed and commissioned, along with all rural water sites under the Rural Water Program. The table below summarizes major USG-funded assets that may be covered under the WSSP (capacity is in cubic meters per day).

Asset Category	MMPW/KRG <sup>1</sup>		Amanat Baghdad		MoWR	
	No.	Capacity	No.	Capacity	No.	Capacity
Water treatment plants	25	2,155,000 cmd	5	1,007,000 cmd	-	-
Sewage treatment plants	6	414,000 cmd	3	850,000 cmd	-	-
Rural Water Projects	71	29,600 cmd	-	-	-	-
Small Water Projects	152	241,000 cmd	-	-	-	-
Pump/lift stations	30 <sup>2</sup>	-	tbd	-	10 <sup>3</sup>	-
Canals	-	-	-	-	1	2,160,000 cmd
Vehicles/heavy equipment	769 <sup>4</sup>	-	-	-	32 <sup>5</sup>	-
Generators	-	-	39	tbd	149	59 MW
Learning Centers/Warehouses	24 <sup>6</sup>	-	-	-	-	-

<sup>1</sup> Kurdistan Regional Government

<sup>2</sup> Includes R-Zero raw water pump station and 29 sewage/storm water lift stations in Basrah.

<sup>3</sup> Includes Wahda 1, 2 and 3, Yousifia 1 and 2, Old Keish, SWC 1 and 2, Mandilee, and Karbala pump stations.

<sup>4</sup> Includes 389 water tanker trucks and sewage trucks; 380 heavy equipment.

<sup>5</sup> Includes trucks, wheel loaders, compactor, excavators, grader, concrete mixers, and bulldozers.

<sup>6</sup> Includes six technical learning centers and 18 warehouses/fleet maintenance facilities.

## Potable Water

**Project Code: 60000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
2207 Report									
July 2006	891	592	-16	-22	-	+9	1,454	1,163	827
Change from July	-	-	-	-	-		-	+251	+116
October 2006	891	592	-16	-22	-	+9	1,454	1,414	943

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD and USAID

**Changes from the July Report:** This report maintains the \$1,454 million allocated for Potable Water.

**Accomplishments since the July Report:**

**DoD/GRD**

- Completed 11 small water projects with local Iraqi firms, which will increase employment of Iraqi populations and contribute to the Iraqi economy (\$3 million). To date, GRD has completed 158 projects out of 324 planned. The small-scale water project programs (\$122 million) include multiple small potable water projects throughout all 18 Governorates.
- Completed construction of the Irbil Water Supply project (\$201.5 million).
- Continued development of the water treatment plant designs for Najaf, Diwaniya, and Dukon-Sulaymaniyah to 80% complete. (\$3 million).
- Completed construction of the Wahda/Wathba Water Supply project (\$23.3 million).
- Awarded direct contract for construction of the Sinjar Water Supply project (\$18.7 million).
- Awarded design build contract for Wahda Water Supply project (\$17.6 million).
- Completed design of the three standard design water supply projects (Majer, Meshkab, and Zobediah) and awarded construction contract on Meshkab (\$74.2 million).
- Awarded construction completion of the Sadr City R3 Water Treatment Plant project, which transitioned from USAID at 85% completion (\$7.5 million).
- Awarded Baghdad Raw Water Hydraulic Model contract for modeling, design, and engineering (\$0.6 million).
- Completed 42 workshops within the Capacity Development Initiative including 18 workshops outside Iraq and one international visit to USA (\$4.5 million).
- Completed the following Water Sector Sustainment Program (WSSP) activities (\$30.1 million).
  - Award and mobilization of phase two oversight contract (\$4.3 million).
  - Award and mobilization of phase two rural water contracts (\$8.2 million).
  - Award and mobilization of phase two O&M facility support contracts (\$17.6 million).
- Contracted remaining WSSP funds for chemicals, diesel fuel and plant optimizations (\$7.7 million).



## **USAID**

- Completed delivery of rolling stock and other equipment under the Water Sector Institutional Strengthening (WSIS) program to support potable water and sewerage treatment facilities. These deliveries complete work on the WSIS program (\$20.4 million direct costs).
- Completed construction of small rural water projects (e.g. treatment unit, storage tank) in 70 rural communities nationwide and serving over 400,000 Iraqis (\$63.1 million direct costs).
- Transferred construction oversight responsibility to GRD for completion of the Sadr City R3 plant, which could not be completed under existing Bechtel/Parsons contract (\$29.4 million direct costs). Security problems at the site caused delays in construction.

### **Community Action Program (CAP)**

One of the Community Action Program's (CAP) main goals is to meet critical community needs through fostering citizen involvement. Many of these community needs included rehabilitation of water facilities and connecting water lines and as a result, community water projects were identified and completed, benefiting over 8.5 million people as well as creating 267 long-term jobs. CAP projects have varied from supplying water tanks to communities to the construction of a compact unit and water distribution network.

### **Accomplishments anticipated next quarter:**

#### **DoD/GRD**

- Complete 62 small water projects with local Iraqi firms, which will increase employment and contribute to the local economies (\$20.7 million).
- Continue construction of the Nassriya Water Supply project to an estimated 98% complete and commence pre-commissioning of the treatment facility (\$265 million).
- Commence construction on Sinjar Water Supply to an estimated 20% completion (\$18.7 million).
- Commence construction on Wahda Water Treatment Plant refurbishment project to an estimated 20% completion (\$17.6 million).
- Commence construction of Meshkab Water Supply to an estimated 15% completion (\$74.2 million).
- Complete construction of the Sadr City R3 Water Treatment Plant (\$7.5 million).
- Complete 30% design for the Baghdad Raw Water Hydraulic Model (\$0.6 million).

- Complete the water treatment plant designs for Najaf, Diwaniya, and Dukon-Sulaymaniyah. (\$3.0 million).
- Complete 29 Capacity Development Workshops including 13 outside of Iraq and three international visits.
- Implement Water Distribution Network Rehabilitation support to three of 13 Baghdad Amanat City Districts – Al Shaab, Karradah, and Nissan, and to the Iraqi governorates of Babylon, Najaf, Thi Qar, Wasit, and Missan.
- Implement WSSP activities such as plant optimizations, spare parts support, process control and maintenance training and the provision of diesel and chemicals to all 30 selected U.S. Government-supported water facilities throughout Iraq.
- Implemented Rural Water O&M support activities to include providing operators, maintenance technicians, instruction materials, chemicals, and minor repair support to 69 Rural Water remote sites throughout Iraq.

## USAID

- Complete rehabilitation and commissioning of the Sharq Dijlah Water Treatment Plant (\$22.9 million direct costs).

## Sewerage

**Project Code: 62000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	205	30	-	37	-	+10	282	216	148
Change from July	-	-	-	-	-	-	-	+53	+25
October 2006	205	30	-	37	-	+10	282	269	173

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD and USAID

**Changes from the July Report:** This report maintains the \$282 million allocated for Sewerage.

## **Accomplishments since the July Report:**

### **DoD/GRD**

- Continued Fallujah phase two collection system and Waste Water Treatment Plant (WWTP) installation under direct contract with local Iraqi firms which will continue to increase employment of Iraqi populations and contribute to the Iraqi economy (\$48.1 million).
- Awarded contract for Wastewater Treatment Facility Representative Design (\$1.1 million).
- Completed construction of the Basrah City Sewerage project (\$55.6 million).
- Completed the following WSSP activities:
  - Awarded and mobilization of Phase 2 Oversight contract (\$4.3 million).
  - Awarded and mobilization of Phase 2 O&M Facility Support contracts (\$17.6 million).

### **USAID**

- Completed construction of the Zafaraniyah main sewage collection system in Baghdad (\$22.5 million direct costs).
- Two community-driven sewer projects completed valued at \$151,440, employing 131 people in short-term jobs under the CAP.

## **Accomplishments anticipated next quarter:**

### **DoD/GRD**

- Continue construction of the overall Fallujah Sewerage project to an estimated 25% completion (\$48.1 million).
- Complete 30% design for the Wastewater Treatment Facility Representative Design (\$1.1 million).
- Implement WSSP activities including plant optimizations, spare parts support, process control, and maintenance training and the provision of diesel and chemicals to 10 selected U.S. Government-supported wastewater facilities throughout Iraq (\$7.3 million).
- Implement O&M oversight and supervision support from September 2006 through February 2007 for 13 major Basrah Sewerage Pump Stations.

## USAID

- USAID has completed all major infrastructure activities under this project code. In addition to construction of the Zafaraniyah Sewer Main, USAID constructed the Karbala Wastewater Treatment Plant and repaired the Kadhamiyah Sewer System in western Baghdad. USAID efforts provided sewage treatment to over 600,000 in the holy city of Karbala and helped reduce sewage flooding for large areas of Baghdad. In addition, USAID conducted an alternatives analysis and prepared a Basis of Design Report for a sewer trunk line servicing Sadr City and the northeastern portion of Baghdad. Total estimated cost for work completed under the Bechtel contract is \$64,747,051. Remaining effort involves project closeout and documentation.
- In March 2003 the majority of Iraq sewerage treatment plants were not functioning properly, if at all, and in many areas, the sewerage problem was a result of collapsed and clogged sewerage pipes. Sewerage was discharged directly into the river, ran into the streets, and leaked into homes, playgrounds, and schools. These conditions impacted the quality of life for the thousands of residents whose homes were adjacent to these contaminated areas; in many instances the standing sewerage became the source of disease. One of the CAP's main goals is to meet critical community needs through fostering citizen involvement. Many of these community needs included infrastructure rehabilitation projects designed to increase the functioning of the sewerage network and the capacity of the municipal authorities to provide better services to the community. The CAP project ranged from the rehabilitation of sewerage stations, for example, the rehabilitation of the sewage station in Masabih Village, to neighborhood sewerage swamp clean-up projects in Tarkalan. CAP sewer projects under this project code have drastically improved the sewage network in many areas throughout Iraq benefiting thousands.

### Other Solid Waste Management

**Project Code: 63000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	21	-10	-	-	-	-	11	11	7
Change from July	-	-	-	-	-	-	-	-	-
October 2006	21	-10	-	-	-	-	11	11	7

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency: Department of Defense/GRD**

**Changes from the July Report:** This report maintains the \$10.9 million allocated for Other Solid Waste Management.

**Accomplishments since the July Report:**

- Awarded contract for design engineering of National Solid Waste Master Plan (\$2.7 million).

**Accomplishments next quarter:**

- Complete design criteria for the National Solid Waste Master Plan (\$2.7 million).

**Pumping Stations and Generators****Project Code: 64000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	157	-34	-	57	-	-	180	169	86
Change from July	-	-	-	-	-	-		-4	+10
October 2006	157	-34	-	57	-	-	180	165	96

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense**Changes from the July Report:** This report maintains the \$180 million allocated for Pumping Stations and Generators.**Accomplishments since the July Report:**

- Delayed installation of water hammer protection system at Mandali Irrigation Pumping Station due to equipment delivery delays.
- Completed 55% of the Nasriyah Drainage Pump Station construction including added scope (\$1.9 million).
- Awarded remaining WSSP O&M equipment support contracts for generators and pump stations (\$4.9 million).

**Accomplishments anticipated next quarter:**

- Complete installation of water hammer protection system at Mandali Irrigation Pump Station (\$0.4 million).
- Continue construction of Nasriyah Drainage Pump Station to an estimated 90% complete (\$81.9 million).

- Provide emergency generator O&M services for assigned Ministry of Water Resources (MoWR) generators throughout Iraq, including the provision of necessary spares and consumable supplies (\$4.9 million).
- Implement WSSP activities such as drainage pump station optimizations, spare parts support, process control, and maintenance training and the provision of emergency generator diesel to Mandali and Karbala drainage pump stations (\$0.4 million).

### **Major Irrigation Projects**

**Project Code: 66000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	22	31	-	13	-	-12	54	7	6
Change from July	-	-	-	-	-		-	+47	-
October 2006	22	31	-	13	-	-12	54	54	6

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report maintains the \$54 million allocated for Major Irrigation Projects.

#### **Accomplishments since the July Report:**

- Implemented Project Partnership Agreement with MoWR for Eastern Euphrates Drainage Project (\$39 million)
- Awarded procurement contract for heavy construction equipment (\$9 million).

#### **Accomplishments anticipated next quarter:**

- Continue construction of Eastern Euphrates Drain to an estimated 10% complete, complete procurement of MoWR heavy equipment, and begin delivery of equipment (\$39 million).

**Dam Repair, Rehabilitation, and New Construction**  
**Project Code: 67000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	39	23	-	21	-	-4	79	42	16
Change from July	-	-	-	-	-		-	+35	+3
October 2006	39	23	-	21	-	-4	79	77	19

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$7.9 million allocated for Dam Repairs, Rehabilitation, and New Construction.

**Accomplishments since the July Report:**

- Began procurement of Adhaim Dam and Ramadi Barrage equipment and materials (\$10.3 million).
- Procured remaining Mosul Dam maintenance and repair equipment and contracted for the hydrogeological model (\$1.3 million for model only).
- Implemented PPA with MoWR for Diyala Weir rehabilitation (\$5.3 million).

**Accomplishments anticipated next quarter:**

- Commence delivery of equipment for Adhaim Dam and Ramadi Barrage rehabilitation (\$10.3 million).
- Continue rehabilitation of Diyala Weir to an estimated 25% complete (\$5.3 million).

**Umm Qasr/Basrah Water Supply Project**  
**Project Code: 68000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlaid
July 2006	25	86	-	-75	-	-1	35	32	18
Change from July	-	-	-	-	-	-	-	+2	+2
October 2006	25	86	-	-75	-	-1	35	34	20

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$34.9 million allocated for Umm Qasr.

**Accomplishments since the July Report:**

- Continued implementation of Sweetwater Canal Pump Station number two power supply to an estimated 25% complete (\$8.6 million).
- Awarded WSSP Sweetwater Canal Heavy Equipment O&M Support package (\$1 million).

**Accomplishments anticipated next quarter:**

- Continue implementation of Sweetwater Canal Pump Station number two power supply to an estimated 95% complete (\$8.6 million).
- Provide heavy equipment O&M services at Sweetwater Canal Pump Station number two including the provision of necessary spares and consumable supplies (\$2 million).



**SECTOR: Transportation and Telecommunications****Civil Aviation****Project Code: 70000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	115	-1	-38	-	-9	-	67	56	45
Change from July	-	-	-	-	-	+13	+13	+23	+5
October 2006	115	-1	-38	-	-9	+13	80	79	50

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to increase this project code by \$13.6 million. Funding was reallocated from: Judicial Security and Facilities (PC 09000) \$1.8 million, Police Training and Technical Assistance (PC 10000) \$5.3 million, Public Safety Training and Facilities (PC 15000) \$400,000, IAF Training and Operations (PC 22000) \$2.4 million, Umm Qasr Port Rehabilitation (PC 71000) \$1.6 million, Railroad Rehabilitation and Restoration (PC 72000) \$1.3 million, Iraqi Telecommunication and Postal Corporation (PC 74000) \$700,000, Roads and Bridges (PC 82000) \$110,000.

**Accomplishments since the July Report:**

- Completed the Baghdad International Airport (BIAP) Visual Aids project (\$7 million).
- Trained five Iraqi Civil Aviation Authority (ICAA) employees as air worthiness inspectors and six employees in ASR-11 radar operations and maintenance (\$530,000).
- Trained nine ICAA employees in the UK at a 22-week intensive program in professional and specialized Air Traffic Control (ATC) communications skills, procedural ATC and radar familiarization (\$535,000).
- Started navigations aids on-site maintenance and training (\$554,000).

**Accomplishments anticipated next quarter:**

- Start construction of the Basrah International Airport (BIA) Navigational Aids project (~\$1.9 million).
- Start construction of the BIA Communications project (\$800,000).
- Start construction of the BIA Radar project (\$11.5 million).

- Start construction of the BIA Water System Improvements project (\$2.6 million).
- Complete the BIAP navigation aid commission flight check. Delay caused by \$150,000 of additional work due to increased scope (\$400,000).
- Complete the Mosul ATC Tower construction project (\$11 million).
- Complete O&M training in the United States for ICAA personnel on the ASR-11 radar system and the AUTOTRAC air traffic control system (\$400,000).

**Umm Qasr Port Rehabilitation**  
**Project Code: 71000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	40	5	-	-	-	-	45	43	35
Change from July	-	-	-	-	-	-2	-2	-	+1
October 2006	40	5	-	-	-	-2	43	43	36

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1.6 million, reallocating funds to Civil Aviation (PC 70000) for upgrades to Basrah International Airport.

**Accomplishments since the July Report:**

- Completed original security fence project (\$4.3 million).
- Completed 60% of the power and refurbishment to Nelcon cranes/spreader. Delay caused by not receiving design approvals from Iraqi Port Authority (IPA) in a timely fashion. Expected project completion November 15 (\$261,000).
- Completed fire boat operations training for nine Iraqi firefighters in Croatia (\$20,000).
- Awarded contracts for vehicles, crane motor, and security (\$566,000).

**Accomplishments anticipated next quarter:**

- Complete physical security project (\$4.6 million).

- Complete the power and refurbishment to Nelcon cranes/spreader (\$261,000).
- Complete new Roll-On Roll-Off (RO-RO) berth construction (\$2.7 million).
- Begin Port Security Audit and Assessment to bring the port into International Ship and Port Facility Security Code (ISPS Code) and International Maritime Organization compliance and begin certification process (\$500,000).

## **Railroad Rehabilitation and Restoration**

**Project Code: 72000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	210	-21	-	-	9	-	198	183	131
Change from July	-	-	-	-	-	-1	-1	+13	+4
October 2006	210	-21	-	-	9	-1	197	196	135

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$1.2 million, reallocating funds to Civil Aviation (PC 70000) for upgrades to Basrah International Airport.

This project code supports the increase of capacity and assures self-sustainability of the Iraqi Republic Railways Company (IRR) by providing essential tools, spare parts, track maintenance equipment, communications, and control systems and renovating rolling stock maintenance facilities and railway stations. To date, 83 stations' rehabilitations have been completed.

### **Accomplishments since the July Report:**

- Solicitation for the Shalchiya Shops and Locomotive Sheds rehabilitation work at Baghdad Central Railway Station was delayed due to the addition of bid options. The contract was awarded with work to begin in October (\$4.9 million).
- Delayed completion of two railway station rehabilitations in Dhi Qar due to slow contractor progress (\$95,000).
- Completed Samawa Maintenance Shop upgrades (\$9 million).
- Awarded contract for repairs to the Latafiya Railway Bridge (\$150,000).

- Awarded U.S. Department of Transportation – Volpe Center-managed contracts for the Communications Based Train Control (CBTC) System Backbone and other miscellaneous CBTC work (\$11.3 million).
- Completed 33 site surveys for the CBTC communication towers located between Mosul and Basrah. This completion will allow the contractor to start installation of the CBTC backbone equipment.
- Reviewed proposals for new Mobile Wheel Lathe contract (\$2 million).

**Accomplishments anticipated next quarter:**

- Complete the rehabilitation of two railway stations in Dhi Qar and one in Basrah and bridge rehabilitation in Baghdad (\$428,000).
- Complete rehabilitation of Baghdad Central Railway Station project (\$6.3 million).

**Iraq Telecommunications and Postal Corporation**  
**Project Code: 74000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
April 2006	20	-	-	-	1	-	21	19	15
Change from April	-	-	-	-	-	-1	-1	+1	+1
July 2006	20	-	-	-	1	-1	20	20	16

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$700,000, reallocating funds to Civil Aviation (PC 70000). To date, 31 post offices have been rehabilitated or constructed.

**Accomplishments since the July Report:**

- Completed construction of new Jadriya post office (\$790,000).
- Completed the Al-Khanssa Post Office Rehabilitation (\$325,022).

**Accomplishments anticipated next quarter:**

- Complete Baqubah Post Office Rehabilitation.
- Complete Dewaniyah Post Office.

**Iraqi Telecommunications Systems**  
**Project Code: 76000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
April 2006	90	-44	-	-	2	-	48	45	18
Change from April	-	-	-	-	-	-	-	-1	+1
July 2006	90	-44	-	-	2	-	48	44	19

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$48 million allocated for Iraqi Telecommunications Systems.

**Accomplishments since the July Report:**

- Complete transition of the WBBN assets to the Iraqi government.
- Awarded contract for WBBN O&M (\$2 million).
- Started construction for Al Mamoon Telephone Exchange building.

**Accomplishments anticipated next quarter:**

- Continue construction of Al Mamoon Telephone Exchange building.

**Consolidated Fiber Network (CFN)**  
**Project Code: 76500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	70	-	-	1	-	71	70	41
Change from July	-	-	-	-	-	-15	-15	-15	+5
October 2006	-	70	-	-	1	-15	56	56	46

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** DoS/IRMO

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$15 million. Funds were reallocated to support the completion of the Basra Children's Hospital (PC 91500).

**Accomplishments since the July Report:**

- Contract awarded for CFN O&M (\$1 million).

**Accomplishments anticipated in the next quarter:**

- Start work on CFN O&M.

**Iraq Telecommunications Operations (Communications and Media Commission – CMC)****Project Code: 79000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
April 2006	25	-	-	-5	-	-	20	13	11
Change from April	-	-	-	-	-	-	-	+7	+1
July 2006	25	-	-	-5	-	-	20	20	12

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$20 million allocated to modernize the Iraq telecommunications operations system and to support a telecommunications regulatory agency. The Commission's name was changed by the new Iraqi Constitution from National Communications and Media Commission (NCMC) to Communications and Media Commission (CMC).

**Accomplishments since the July Report:**

- Procured and delivered furniture for CMC Headquarters interior design.
- Closed out CMC Headquarters building project.
- Awarded CMC training contract to improve the professional capabilities of the CMC's personnel at all levels (\$2.5 million).
- Awarded contract for CMC LAN equipment (\$4.7 million).

**Accomplishments anticipated next quarter:**

- Deliver additional furniture to CMC headquarters.
- Deliver LAN to CMC headquarters.
- Commence training for CMC staff and Commissioners.

## SECTOR: Roads, Bridges and Construction

### Roads and Bridges

Project Code: 82000

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	173	34	-	-	2	-	209	189	65
Change from July	-	-	-	-	-	-	-	+13	+10
October 2006	173	34	-	-	2	-	209	202	75

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government:** Department of Defense and USAID

**Changes from the July Report:** This report maintains the \$209 million allocated to Roads and Bridges. This project code supports the repair, replacement, or construction of essential segments of highway, strategic bridges, and critical secondary roads that will enable reconstruction, economic development, and public safety.

### Accomplishments since the July Report:

#### DoD/GRD

- Awarded Amarah-Maimona second carriageway in Missan governorate (\$7.4 million).
- Completed 90% of Village Roads Program (\$34 million).
- Started work on 16 road rehabilitation and new construction projects in Ninawa, Najaf, and Dhi Qar.
- Awarded four PRDC roads projects in Karbala. These projects are to construct paved roads for everyday usage by the local population (\$2.2 million).
- Delivered \$235,000 of materials testing equipment and approximately \$150,000 of IT equipment to enable the Ministry of Construction and Housing to install and operate a modern and efficient, local Area Network (LAN).

#### USAID

- Prior to 2003, Iraq's infrastructure, in particular many of the smaller roads and bridges connecting communities to each other, were in poor condition or non-existent. Many years of substandard construction, neglect, and, since 2003, the on-going insurgency has caused further deterioration of the transportation network. The rehabilitation of roads and bridges is one of the key infrastructure components of the Community Action

Program (CAP). The CAP implementers completed community-driven roads and bridges projects throughout Iraq; these projects varied from 10.5 km primary road paving to the construction of a steel structures for pedestrian bridges. Over 9 million Iraqi's have benefited from these community projects which employed 10,595 individuals in short-term jobs.

- All CAP funds under this project code are fully disbursed and the project is closed.

**Accomplishments anticipated next quarter:**

**DoD/GRD**

- Complete three road projects in Babil, three in Qadissiya, and two in Wassit.



## SECTOR: Health Care

The Iraqi healthcare system had not been funded or managed in an equitable, sustainable, systematic manner for at least two decades before liberation. Quality of care and efficiency of delivery was limited by several factors, including: political support for the former regime; facility location not in line with current demographics; dilapidated infrastructure and poor or non-existent biomedical and health facility maintenance; limited supplies of medications, other supplies, and modern equipment despite resources being available for their procurement; and the prior regime's unwillingness to finance continuing medical education and training for clinicians as healthcare advanced.

Helping the Iraqi Ministry of Health (MoH) convert its healthcare system from a centralized, inpatient, specialty care, hospital-based model to an outpatient primary health care-based system will help to improve the health of the overall population especially in the fields of women's health, preventive medicine, and maternal and pediatric health. It will also provide a sustainable healthcare delivery system that improves services for the most vulnerable population groups.

### Nationwide Hospital and Clinic Improvement

**Project Code: 90000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	439	-	-35	-	-	+62	466	383	296
Change from July	-	-	-	-	-	-	-	+67	+21
October 2006	439	-	-35	-	-	+62	466	450	317

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense

**Changes from the July Report:** This report maintains the \$466.3 million allocated to this project code for Nationwide Hospital and Clinic Improvements.

**Primary Healthcare Centers (PHCs):** A total of 142 new PHCs are planned across Iraq. In March, the Design-Build contract for constructing 141 of these was terminated for convenience. Only 18 PHCs were delivered as nearly complete, while construction on the remaining PHCs was 67% complete on average. The Iraqi Ministry of Health (MoH) accepted six of these 18 PHCs from the U.S. Government, and outstanding defects were and are being repaired using IRRF funds remaining after contract termination. The USG awarded new contracts to local Iraqi firms to complete the correction of these defects, which includes repairs to the HVAC systems, completion of reverse osmosis (RO) water treatment systems, finishing facility waterproofing, repairing water lines, finalizing the connection to city water mains, and correcting the poor quality of some construction and finishing. Corrective work on the last three of these six PHC's was completed in late July. MoH began opening these

for clinical use in mid-August. More substantial finishing work and repairs are required for the 12 other PHCs the USG accepted. Contracts have been re-awarded to local Iraqi construction firms and work is in progress.

As of September 30, 2006, 122 PHCs are under firm, fixed price (FFP) contracts awarded to local Iraqi contractors, with construction re-started on 115.

**Hospitals:** The health program originally included renovation of 17 maternity and children's hospitals. In December 2004, the program grew to 23 projects at 20 hospitals, including the \$15 million Najaf Teaching Hospital renovation, and, with the MoH's concurrence, Sulaymaniyah Maternity Hospital. Hospital construction lagged because of difficulties with removal of old medical equipment from construction areas, security conditions that reduced total work days, and contractor productivity and quality issues.

In May, the USG terminated the design-build construction contract for eight hospital rehabilitation projects due to slow construction progress causing funds to be depleted at a rate that would have prevented the completion of this project. In June, the award of eight FFP contracts to Iraqi contractors for these hospitals was completed using the funds remaining after termination of the design-build contract. As such, work continued on each of the eight hospitals without interruption.

#### **Accomplishments since the July Report:**

- Fully completed work for beneficial occupancy at the remaining three of the six PHCs the MoH accepted previously.
- Fully completed work on one of the 12 substantially complete PHCs, bringing the total number of completed PHCs to seven and continued finishing work and repairs on the remaining 11 substantially complete PHCs.
- Completed work on the rehabilitation of one hospital, Al Ramadi Maternity and Pediatrics in Al Anbar Governorate.
- Solicited and awarded new contracts to local construction firms to proceed with the construction of the remaining PHCs.
- Awarded a contract to replace non-operable and non-certifiable elevators in 15 hospitals.
- Modified existing contracts to include the installation of super clean air supply units for a total of nine operating rooms at seven hospitals.
- Modified an existing contract to include the replacing of substandard flooring at the Hilla Maternity and Pediatric Hospital.

**Accomplishments anticipated next quarter:**

- Complete work on 40 of the 135 PHCs not yet completed.
- Complete work on eight of the nine remaining hospital rehabilitation projects. This will include awarding a contract to replace non-operable and un-certifiable elevators in 15 of these hospitals. The substandard flooring in Hillah Maternity and Pediatrics Hospital will be replaced.

**Equipment Procurement and Modernization and Training**  
**Project Code: 92000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	297	-	-	-12	7	-24	268	231	165
Change from July	-	-	-	-	-		-	+37	+16
October 2006	297	-	-	-12	7	-24	268	268	181

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense and USAID

**Changes from the July Report:** This report maintains the \$268 million allocated to the Equipment Procurement and Modernization and Training project code.

**Accomplishments since the July Report:****DoD/GRD**

- Deferred initiation of medical modernization training program for use of new medical equipment procured under the “Open Distribution List” program due to higher priorities.
- Awarded two hospital medical equipment contracts for 18 Hospitals across Iraq (~\$23.8 million).
- Installed and commissioned medical equipment at 20 PHCs and provided basic training for its use and maintenance.

**USAID**

- Conducted training courses in healthcare service delivery, engineering, maintenance, and other core functions to yield at least 560 trained MoH personnel who will subsequently train over 1,000 additional MoH personnel.

- Conducted second round of Arabic language Virtual Leadership Development Program, providing training to 12 team leaders.
- Conducted management training for 35 MoH staff from primary healthcare centers or district management teams.
- Trained 12 mental health social worker-trainers to support MoH efforts to expand approaches to mental health at the primary healthcare-level.
- Launched Triage Simulator for Emergency Preparedness virtual training program at MoH and trained 29 trainers.

**Accomplishments anticipated next quarter:**

**DoD/GRD**

- Continue delivery and installation of medical equipment, consumables, and furniture to PHCs upon completion of construction.
- Continue delivery and installation of hospital medical equipment upon completion of rehabilitation work.

**USAID**

- A total of 3,100 health care service providers will be trained, including 975 from Baghdad. The trainings will cover a range of health related issues, including primary care-level management of childhood illness, interpersonal communication for physicians and nurses, counseling skills, infection prevention, team building for primary healthcare center staff, and health center management for health center directors.
- Complete close out of program as all funds will be disbursed.

**Basra Pediatric Facility (Hospital)**

**Project Code: 91000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	50	-	-	-	-	-	50	50	32
Change from July	-	-	-	-	-	-	-	-1	+4
October 2006	50	-	-	-	-	-	50	49	36

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency: USAID**

**Changes from the July Report:** This report maintains the \$50 million allocated to the Basra Pediatric Facility (Hospital).

**Accomplishments since the July Report:**

- USAID and USACE/GRD signed a Memorandum of Understanding identifying respective future responsibilities for completion of Basra Children's Hospital. USACE/GRD will be responsible for the completion of construction, installation of equipment, and the facilities operations and maintenance training and support.
- Completed work on-site necessary for transition to USACE/GRD. Maintained security on the construction site through September 30.

**Accomplishments anticipated next quarter:**

- Contract close out.

**Basra Children's Hospital  
Project Code: 91500**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	-	-	-	-	-	-	-	-	-
Change from July	-	-	-	-	-	+34	+34	+34	-
October 2006	-	-	-	-	-	+34	34	34	-

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency: DoD/GRD**

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to create a new project code and increase this project code by \$34.4 million. Funding was reallocated from Border Enforcement (PC 11000) \$950,000, Facilities Repair (PC 13000) \$2.1 million, Public Safety Training and Facilities (PC15000) \$1.5 million, IAF Facilities (PC 20000) \$2 million, IAF Equipment (PC 21000) \$2.9 million, IAF Training and Operations (PC 22000) \$8.9 million, Other Technical Investigative Methods (PC 31000) \$1 million and Consolidated Fiber Network (PC 76500) \$15 million.

**Accomplishments since the July Report:**

- Awarded construction contract for completion of project.

**Accomplishments anticipated next quarter:**

- USACE/GRD project management team establishes itself in Basra.
- Construction proceeds under the new contract.

**SECTOR: Private Sector Development****Business Skills Training****Project Code: 02500**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	37	-	-	3	-	-	40	39	31
Change from July	-	-	-	-	-	-	-	+1	+2
October 2006	37	-	-	3	-	-	40	40	33

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense**Changes from the July Report:** This report maintains the \$40 million allocated for Business Skills Training.**Accomplishments since the July Report:**

- Completed review of the draft permanent Securities Law.
- Provided Rules and Regulations to the Iraq Securities Commission for review and revision.
- Completed the customization interviews and documentation for the automation software.

**Accomplishments anticipated next quarter:**

- Finalize the permanent Securities Law and initiate translation of Law.
- Prepare comments regarding the context of the Law, its underlying foundation, and imbedded international standards as documents that will accompany the Law as it is processed for passage.
- Complete draft of the Rules and Regulations for the Iraq Securities Commission.
- Complete the training of all market participants for the automation software.
- Complete the initial testing of the customized software for automation.
- Contract work for the development of a Business Center Association, further assistance for the Baghdad Private Business Center, and upgrades to the Best Practices Manual for Business Centers

**Micro, Small, and Medium Enterprises**  
**Project Code: 03000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	44	-	-	-3	-	-	41	36	36
Change from July	-	-	-	-	-	-	-	+5	-
October 2006	44	-	-	-3	-	-	41	41	36

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Departments of Defense and the Treasury and the Overseas Private Investment Corporation (OPIC), with funding transferred to OPIC through USAID

**Changes from the July Report:** This report maintains the \$41 million allocated to Micro, Small, and Medium Enterprises.

**Accomplishments since the July Report:**

**DoD**

- Finalized the documentation for funding the OPIC Private Sector Lending Facility to Small and Medium Enterprises (SMEs).

**OPIC**

- Since inception, the Iraq Middle Market Development Foundation (IMMDF) has reviewed 29 loans totaling about \$82 million. Of those, eight, totaling \$20.6 million and representing 534 jobs, are in the process of being or have been disbursed; 13 loans, aggregating approximately \$36 million and 846 potential jobs, are in various stages of approval by OPIC/State or IMMDF is working with the borrower to sign documentation; and the remaining 8, totaling approximately \$26 million have not moved forward based upon credit or change in the owners' plans.
- IMMDF continues to support production in industries including water, woodworking, milling, and used vehicles.

**Accomplishments anticipated next quarter:**

**DoD**

- Initiate the lending program for Small and Medium Enterprises under the OPIC facility.
- Receive the first two sections of the Economic Zone Study.

## OPIC

- IMMDF anticipates receiving approximately \$9 million in new loan capital from the Department of Defense to support agribusiness sector and smaller loan requests from the SME community.

## Institutional Reforms

**Project Code: 01500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	-	100	-20	5	-	-	85	84	52
Change from July	-	-		-	-	+4	+4	+5	+14
October 2006	-	100	-20	5	-	+4	89	89	66

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** USAID and Department of State

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to increase this project code by \$3.9 million, reallocating funds from Democracy Building Activities (PC 06000) to support the legal and regulatory programs for oil and gas within this project code.

### Accomplishments since the July Report:

#### USAID

- Completed a comprehensive training plan for the General Commission for Tax (GCT) to support TAGDEER, the tax automated system.
- Developed workflows and procedures for the major departments of the General Commission for Taxes (taxpayer services, audit, and collection) – the foundation of a functionally organized working body.
- Released the Government Financial System (GFS) chart of accounts to spending agencies; it contains estimates forms issued for preparation of the 2007 Budget.
- Developed an interim budget preparation process and database for use by Ministry of Finance for 2007 Budget; final version of system was handed over to MoF in September.
- Completed Monetary Survey for Other Depository Corporations data collection through end June 2006 in full compliance with International Monetary Fund (IMF) Stand-by Arrangement Technical Monitoring Unit (SBA TMU) requirement. Central Bank of Iraq



(CBI) Sectoral Balance sheet was completed up to April 2006 in light of delays caused by audit.

- Collected liquidity forecasting data and trend analysis in accordance with guidelines set by IMF as a SBA condition.
- Provided a series of seminars to the Government of Iraq Chief Information Officer Council in the areas of Leadership, Security, and Investment Management. The series of seminars focused on building the Council's knowledge and capacity to perform the council functions.
- Installed the Social Safety Net (SSN) automation Pilot Unit in the Ministry of Labor and Social Affairs' complex in Baghdad.
- Completed development of the software application for the SSN beneficiaries' database as part of the Pilot.
- Completed testing of the SSN Pilot Unit software application and conducted training for the Unit's IT and non-technical employees.
- Delivered and submitted, for public consideration, a White Paper on pension reform in Iraq entitled *Early Warning Report on Pension Crisis in Iraq* and revised pension legislation for short-term adjustments to pension arrangements in Iraq.
- Delivered a strategy for passage of new Procurement Laws and Regulations -- as well as the implementation, institution building, training, and capacity building strategies necessary to support them.

### **Department of State**

- Awarded a contract for a two-year program of technical assistance focused on helping create a legal and regulatory environment conducive to domestic and foreign investment in Iraq's energy sector (\$1.5 million).
- Awarded a contract for mineral management training for personnel of Iraq's Ministry of Oil (\$1.7 million).

### **Accomplishments anticipated next quarter:**

### **USAID**

- Implement the tax automated system, TAGDEER, at the General Commission for Taxes headquarters and two branch offices.
- Implement the new Functional Organization work flows and business processes in the large Taxpayer Unit of the GCT.

- Assist the Tax Policy Unit of the Ministry of Finance in drafting a formal plan for the overhaul of the Iraqi tax system. This plan will be presented to the Council of Ministers for their adoption by the end of 2006. Achievement of this result will enable the GOI to meet a requirement under the SBA with the IMF.
- Complete user training for the first two TAGDEER pilot sites and prepare for the roll-out of TAGDEER at the next nine (total of 11) pilot branches.
- Kurdish Regional Government will begin entering expenditure data onto the Financial Management Information System (FMIS) and reconciling their monthly trial balances.
- Configuration of FMIS for 2007, including loading the new GFS chart of accounts. Specialist capacity training of key Ministry of Finance staff by Free Balance will be conducted in December in to take responsibility for management and maintenance of the system.
- Install the CBI data center and make operational.
- Complete the CBI Banking Supervision department's first Financial Soundness Indicators report to IMF.
- Recapitalize CBI by MOF according to USAID/IMF recommended format.
- Prepare Preliminary Draft Law on Moveable Property Leasing.
- Design and incorporate into the current system enhancements for Business Registry that will streamline registration of new businesses.
- Prepare implementing regulations for the newly designed Iraq Procurement Law.
- Facilitate the drafting and submission to the Cabinet of adjustments to the SSN FY07 cash benefits to mitigate the impact of inflation and fuel and food subsidy reductions on poor and vulnerable households and enforce social protections incorporated in the SSN package.
- Assist the GOI with implementation of amended state pension legislation. Assist the Pension Reform Steering Committee in organizing the State Pension Fund as a sustainable and solid administrator of the public pension contributions to secure and meet the budget deficit limits as set by the SBA.
- Provide further training sessions for the Baghdad and regional staff that support the GOI in carrying out effective public education programs in both SSN and Pension Reform areas to strengthen public support for macroeconomic reforms. Support is provided through a dedicated advisor working with MOLSA and its affiliated offices to address public education campaigns and media outreach. The advisor works closely with the

public relations department at MOLSA and has conducted training sessions for Baghdad and regional staff and plans on doing more in the future.

- Assist in operation of Pilot Social Welfare Program in Baghdad at the Ministry of Labor and Social Affairs by configuring and troubleshooting the system and providing additional training, support that is vital for a successful regional rollout.
- Complete post-Pilot 'Next steps' IT summary document, including overview of suggested post-Pilot software and hardware modifications, based on operation of the Pilot Social Welfare Program and domestic legislative changes.
- Continue execution against IT Capacity-Building and Knowledge Transfer Plan of the new Social Welfare system at the Ministry of Labor and Social Affairs.

### Department of State

- Initiate technical assistance program to help create a legal and regulatory environment conducive to domestic and foreign investment in Iraq's energy sector.
- Begin mineral management training for Ministry of Oil personnel.

### Agriculture

**Project Code: 01600**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	-	100	-	5	-	-	105	100	65
Change from July	-	-	-	-	-	+8	+8	+13	+30
October 2006	-	100	-	5	-	+8	113	113	95

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** USAID, DoD, and Department of State

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to increase this project code by \$7.8 million reallocating funds from Democracy Building Activities (PC 06000) to support agricultural reform within this project code.

## **Accomplishments since the July Report:**

### **DoD**

- Finalized the documentation for funding the Overseas Private Investment Corporation (OPIC) Private Sector Lending Facility to small- and medium-scale enterprises targeting agribusiness development.

### **USAID**

- To date, this project has completed rehabilitation of sixty-eight veterinary clinics that can serve 135,000 livestock breeders and 5.7 million animals throughout Iraq (\$6.5 million).
- Established forty private veterinary service providers (PVSPs), ten each in Ninawa, Kirkuk, Dahuk, and Salah ad-Din. The PVSPs employ 20-30 previously unemployed veterinarians per governorate to provide veterinary services in rural areas not served by government clinics (\$265,600).
- Provided commercially desirable date palm offshoots to rehabilitate 120 existing date palm orchards in Basrah and Muthana, adding value to farmers' holdings and increasing production, incomes, and access to additional offshoots from the second subsequent year throughout the productive life of the trees (\$73,000).
- Completed rehabilitation of 4,835 tractors. Trained 215 farm equipment mechanics in repair and maintenance skills (\$23.7 million).
- Provided 25 tons of high-quality hybrid maize seed to producers in Anbar to improve production and increase incomes. Stimulated private sector extension by working with NGOs that will provide technical assistance to these farmers in exchange for payment of a portion of the harvest, which will capitalize the NGOs to implement a similar program next year (\$170,000). (A similar program in Nineva had to be cancelled as the NGOs could not deliver the seeds due to security concerns.)

### **Department of State**

- Awarded a contract for a sustained two-year program of training and education to improve the level of human capital among agriculture faculty and employees of the national and governorate level agricultural extension systems (\$7.8 million).

## **Accomplishments anticipated next quarter:**

### **DoD**

- Initiate the lending program for small- and medium-scale agribusiness enterprises under the OPIC Private Sector Lending Facility.

## USAID

- Final monitoring and evaluation of all program activities will conclude and all anticipated program results reported. Program began demobilization in September with full close out expected in October.

## Department of State

- Begin identifying and selecting a consortium of land grant universities to implement an array of education and short term training programs for Iraqi educators and ministry staff.

## Market-Based Reforms

**Project Code: 03500**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	-	105	-6	-	-	-	99	99	44
Change from July	-	-	-	-	-	-	-	-	+23
October 2006	-	105	-6	-	-	-	99	99	67

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

## Responsible U.S. Government Agency: USAID

**Changes from the July Report:** This report maintains the \$99 million allocated to Market-Based Reforms.

## Accomplishments since the July Report:

- Continued assistance to the GOI to prepare draft initial offers for goods and services, including the first draft of Iraqi tariff schedules, which the GOI will need to submit to the WTO. Draft laws or sections of laws relating to Customs, Technical Barriers to Trade, and Intellectual Property Rights were prepared, involving conducting WTO conformity assessments and trade-related impact assessments. Ongoing consultations were held with the GOI.
- The Iraq Company for Bank Guarantees (ICBG) appointed an acting General Manager, developed and implemented a business plan, and made plans to establish a physical office. Training and establishment of operational procedures commenced. Staff of the ICBG is receiving training on loan guarantee products, usage, and risk evaluation.
- Courses on Advanced Financial Analysis, Basel II Reporting, Money and Banking, were designed and conducted for twenty-two credit officers/loan officers from Iraqi private banks.

- The Iraqi Securities Commission (ISC) was supported through provision of implementing rules and regulations, such as: Standards for Quarterly and Annual Reporting (corporate disclosure); Broker/Dealer Examination; Commissioners' Code of Conduct; Anti-Manipulation; Maintaining Books and Records; Nomination Procedures, Selection Criteria, and Board Election Procedures; and Investigation and Enforcement. Support was provided to the ISC to draft their Operations Rules and Procedures based on the current Interim Securities Law. Supported the ISC in developing a Licensing Regime for Principals and Intermediaries based on the current Interim Securities Law and related training program to be offered under the auspices of the Iraqi Association of Securities Dealers (IASD).
- Supported the development of information websites for IASD and the ISC.
- Included Iraqi Stock Exchange staff in training for information technology, public relations, and regulations seminars; provided assistance with its application for membership in World Federation of Exchanges.
- Published and distributed Iraq's first "Guide to Excel for Accountants" and materials on Audit of Internal Control over Financial Reporting (Audit Standard No.2). An Iraq Certified Public Accountant (I-CPA) program/student guidebook has been developed.
- Provided the Iraqi Investment Promotion Agency with draft Standard Operating Procedures, developed sector-targeted investment promotion materials, conducted strategic planning meetings, and continued preparations to launch the Iraq Invest portal. Launch of the portal has been delayed in order to conduct any final changes necessary upon passage of the new Investment Law.
- Continued building capacity of the Iraq Trade Information Center through training, database, and website development.
- Completed a draft "Investor Guide to Iraq."
- The first two indigenous Iraqi microfinance institutions (MFIs) established with project support have extended 40 new loans worth \$100,000 in total.
- One new MFI has been brought to operational status and awarded a \$250,000 grant to be used for loan capital, pending resolution of NGO registration due to delays caused by the closure of the registration office.
- Three international microfinance institutions supported by grants extended over 4,800 new loans to Iraqi entrepreneurs in 14 governorates.
- Training of trainers for business skills is ongoing in Baghdad and Irbil with seven new business skills trainers. Armed with modern methodologies, the trainers will produce the desired multiplier outreach effect to further stimulate private sector growth.

- Center for Development and International Dialogue (CEDID) will move toward sustainability as their ability to charge, collect, and report training fees increases and additional people are hired and trained to assist with facility operations and logistics. Four courses reaching forty-eight participants were offered. An e-knowledge web site has been technically designed, materials collected, and preliminary testing and re-formatting of materials has begun.
- A course in International Accounting Standards was offered at eight universities, reaching over 400 students.

**Accomplishments anticipated next quarter:**

- Private Bank Lending to SMEs: The Iraq Company for Bank Guarantees will be further assisted through development of operational policies, procedures and manuals, staff training, and establishment of headquarters. Training will be conducted with at least six partner banks to familiarize staff with the practical steps necessary to apply for guarantees. Guarantee applications will be accepted and the first guarantees should be awarded. An additional seventy private bank credit officers in Baghdad and twenty in Irbil will receive training on modern bank lending practices in order to encourage private bank lending to SMEs.
- Microfinance: Manage over \$10 million in grants for operational and loan capital to three international microfinance institutions operating in 14 governorates, supporting a cumulative total of over 19,000 loans. Continue technical assistance to three MFIs. The two MFIs currently operational will extend approximately 135 loans worth \$300,000. Basic training for thirty Iraqi MFI staff, advanced training for 15, and training for nine trainers will be ongoing. Accounting and Auditing: Senior Iraqi Accountants will undertake a study tour to the United States to develop relationships with premier accounting and auditing academic and professional organizations. Support to 45 learning resource centers will continue through publication of pamphlets and provision of books. A course on “Auditing Methods, Methodology, and Standards” will be introduced at approximately eight universities, reaching approximately 400 students.
- Business Skills Training: Approximately 150 training modules will be made available through an online access portal. Training of seven trainers will continue.

**SECTOR: Education, Refugees, Human Rights, and Governance****Migration and Refugee Assistance****Project Code: 04000**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	105	54	-	27	-	-	186	167	114
Change from July	-	-	-	-	-	-		+19	+20
October 2006	105	54	-	27	-	-	186	186	134

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State's Bureau of Population, Refugees, and Migration (PRM) and USAID's Office of Foreign Disaster Assistance (OFDA)

**Changes from the July Report:** This report maintains the \$186 million allocated to fund life sustaining assistance to meet the immediate needs of refugees and other conflict victims, including internally displaced persons. The funding will also support efforts by the Department and international organizations such as the United Nations High Commissioner for Refugees (UNHCR) and the International Organization of Migration (IOM) to build the capacity of Iraqi institutions, particularly the Ministry of Displacement and Migration (MoDM). The successful reintegration of refugees, returnees, and internally displaced persons (IDP) is critical to achieving stability in areas heavily affected by persecution under the former regime.

**Accomplishments since the July Report:****State (PRM)**

- Obligated \$1.3 million in funding to IOM to support capacity building for the Ministry of Displacement and Migration (MoDM).
- Continued working with UNHCR, International Organization for Migration (IOM), and the International Catholic Migration Commission (ICMC) to identify and implement durable solutions for 137 Sudanese asylum seekers near Al Rutbah in Anbar province.
- Through funding for Shelter for Life, a permanent water source was completed in the Northern Iraqi Kurdish town of Soran benefiting 1,041 families. Many Kurdish refugees have returned to the area in the last two years and had lacked access to a reliable water supply.
- Through funding for Mercy Corps, ensured the sustainable reintegration of returnees in Diyala and Sulaymaniya provinces. Mercy Corps committed \$200,000 to quick impact



projects that included renovation of the animal slaughter house in Khanaqin; expansion of a 600-student school in Rizgari; renovation of the Women's Union Building in Kifri; expansion of water networks in Rizgari, benefiting 5,000 returnees; and construction of an annex for the College of Arts in Khanaqin.

- Through funding for Relief International (RI), conducted 13 training days for a newly formed Iraqi NGO (Relief Iraq). Training included exercises in fundraising/proposal writing, security management, financial procedures, and organizational development. Relief International also completed construction of three 11-room schools in Basra.
- Through funding for ICMC, extremely vulnerable Iraqis in Jordan were assisted. One hundred four individuals received emergency humanitarian assistance with non-food items, 88 children attended non-formal education activities, and 438 individuals received medical care (129 in-patient and 306 out-patients).
- Through funding for International Medical Corps, the sewage network system and pumping station in Missan were rehabilitated, 500 latrines in Missan were constructed, and the hospital sewage pipeline in Wassit was rehabilitated. IMC also trained 320 public health clinic staff and traditional birth attendants and six mobile health teams provided basic healthcare services (including antenatal care and vaccination and immunization for women in the reproductive age and children under the age of five) to approximately 50,894 women and children who otherwise are unable to access health services.

## **USAID**

- Generated thousands of jobs in Kirkuk, Dahuk, Maysan, Wasit, Ninawa, and Diyala Governorates through city sanitation, road graveling, and civic improvement programs.
- Continued responding to sudden displacement needs due to sectarian conflict country-wide. Emergency humanitarian assistance was provided to over 100,000 IDPs in Iraq.
- Continued activities of mobile health units in returnee and IDP areas of Irbil, Kirkuk, Anbar, and Ninawa Governorates and in areas impacted by recent kinetic operations and sectarian violence.
- Implemented water and sanitation activities in Kirkuk, Diyala, Irbil and Ninawa, Maysan Wasit, Muthana and Anbar Governorates targeting both Kurdish returnees and Arab IDPs with awareness of the needs of other religious/ethnic communities.
- Repaired the "New Ramadi" water treatment plant, providing potable water to 70,000 Ramadi residents.
- Provided agricultural livelihood support packages in IDP/returnee areas in Kirkuk.

- Continued health education and refresher training for rural based physicians and Avian Influenza awareness campaigns.
- Conducted Violence, Abuse, and Women's Rights Awareness Training in Kalar and Kifri for over 1,100 women.
- Provided livelihood assets to persons with disabilities, supported local prosthetic device manufacturing activities.
- Completed implementing the Falluja emergency assistance project including: construction of market areas (stalls for small shops) in the southern sectors; construction of 6 gardens/parks; support to the Union of Persons with Disabilities; supported capacity development of local women's NGO; rehabilitated or maintained sanitation facilities at 12 local schools. Established three female literacy courses.

#### **Accomplishments anticipated next quarter:**

##### **State (PRM)**

- Continue working with UNHCR, IOM, and ICMC to identify and implement durable solutions for 137 Sudanese asylum seekers near Al Rutbah in Al Anbar province.
- Continue to support technical and institutional capacity building of the Ministry of Displacement and Migration (MoDM) through funding to IOM.
- Continue to engage UNHCR, the Government of Turkey, and the Government of Iraq to finalize an agreement that may facilitate the voluntary return to Turkey of approximately 10,000 Kurdish-Turkish refugees in Makhmour camp.
- Monitor and evaluate existing PRM programs and begin implementing new programs benefiting returning refugees and host communities throughout the country (as security conditions allow).
- PRM implementing partner Shelter for Life will begin construction of water pipe distribution networks in four neighborhoods in Soran, northern Iraq, benefiting Iraqi returnees. SFL will also begin construction of a 16" pipe along a 7.4 km mountainous route, from the source of the town's water supply, to augment the solitary pipe now providing water. This will increase the town's water capacity and delivery system. In addition, health and hygiene and water conservation classes will be provided to families in four neighborhoods in Soran.
- PRM implementing partner Mercy Corps Iraq will commit \$200,000 in quick-impact projects benefiting returnees in Diyala and Sulaymaniyah.
- With PRM's support, International Medical Corps will begin interventions in the area of gender awareness raising targeting 55,026 individuals (28,026 returnees and 27,000 host

populations) in the marshlands of Missan and Thi qar. With the goal of reintegrating returnee populations by addressing their health needs, the program focuses on community-based interventions for women and will implement water projects, community health education, income generation, and gender protection activities for women.

## USAID

- OFDA will generate at least 30,000 employee days in Kirkuk, Dahuk, Maysan, Wasit, Ninawa, and Diyala Governorates through cash for work programs. Projects will include water and sanitation, road graveling, and civic infrastructure improvements; all activities are labor intensive.
- Continue responding to sudden displacement needs due to sectarian conflict country wide.
- Conclude activities of mobile health units in returnee and IDP areas of Irbil, Kirkuk, Anbar, Dahuk, and Ninawa Governorates and in areas impacted by recent kinetic operations and among newly displaced persons due to sectarian tension.
- Complete implementation of water and sanitation activities in Kirkuk, Diyala, Irbil and Ninawa, Maysan, Muthana, and Wasit Governorates.
- Continue and complete health education and refresher training for rural based physicians and traditional birth attendants.
- Conduct Violence, Abuse, and Women's Rights Awareness Training in Kalar and Kifri for over 1,300 women.
- Continue to provide livelihood assets to persons with disabilities (e.g. wheelchairs); continue to support local prosthetic device manufacturing activities.

## Commission for the Resolution of Real Property Disputes (formerly Property Claims Commission)

**Project Code: 05500**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	10	-	-	-	-	-	10	7	7
Change from July	-	-	-	-	-	-	-	+3	+3
October 2006	10	-	-	-	-	-	10	10	10

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State's Bureau of Population, Refugees, and Migration (PRM)

**Changes from the July Report:** This report maintains the \$10 million allocated for support to the Commission for the Resolution of Real Property Disputes (CRRPD) (formerly the Iraq Property Claims Commission).

The total number of claims considered officially filed decreased from 133,406 as of May 25 to 124,092 as of August 31, due to a CRRPD management decision not to include submissions that were so incomplete they could not be acted on. The total number of claims adjudicated during the same period increased from 22,697 to 25,893. Implementation of the out-of-country claims program continues to be delayed due to uncertainty of obtaining funding from the United Nations High Commissioner for Refugees (UNHCR) to assist with opening of CRRPD branch offices, although approval has been obtained from the Ministry of Foreign Affairs for the establishment of those offices. CRRPD recently relocated its headquarters in Baghdad to a larger building and is continuing internal reorganization in conformity with its new governing legislation, which became effective in March. Security concerns and lack of reliable electronic connectivity continue to limit ability of branch offices and CRRPD headquarters to communicate with each other more effectively.

**Accomplishments since the July Report:**

- Conducted a legal workshop for the Head of the CRRPD, regional managers, and members of the CRRPD Research and Studies Branch to introduce them to the database application and explore methods for (1) improving efficiency and expediency; (2) improving the quality of decision making, consistency and fairness to claimants; (3) valuation of property; and (4) enforcement of CRRPD decisions.
- In response to consultations with CRRPD officials, amended the CRRPD Claim and Response Forms, and updated the instructions for those forms, to take into account changes in the CRRPD's governing statute.
- Continued to develop the CRRPD claims application to allow claims to be tracked through the CRRPD claims process and to allow for information on the enforcement of decisions to be captured and monitored.
- Continued to advise CRRPD officials on development of local area networks, data entry, database management, and claims processing techniques.

**Accomplishments anticipated next quarter:**

- Further develop CRRPD IT capacity, purchase appropriate equipment, and train personnel in database application, network administration and system development skills.

- Begin implementation by IOM (IRRF-funded) of the out-of-country claims program, pending commitment of funding by UNHCR (non-IRRF-funded) to assist with opening of CRRPD branch offices in various countries in the Middle East region.
- Continue to refine and improve the database application.
- Further develop ways to improve the ability of CRRPD offices to connect with each other electronically and access the database so as to support the work of the CRRPD Presidency and the Judicial Committees more effectively.
- Should the CRRPD deem it appropriate, assess potential problems with the enforcement of CRRPD decisions by conducting a survey of claimants who have received a favorable decision as well as relevant government bodies (CRRPD, Real Property Registration Office, Enforcement Department of the Ministry of Justice) and prepare to implement that survey in one to three locations in Iraq.
- Secure from the CRRPD a decision on how to undertake, with reasonable accuracy, an assessment of the potential financial liability of the Iraqi state under the CRRPD statute and assist the CRRPD in planning how to distribute available funds and how to raise additional funds for compensation.

**Ministerial Capacity Building**  
**Project Code: 06750**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	-	-	20	-	-	-	20	-	-
Change from July	-	-		-	-	-	-	+20	-
October 2006	-	-	20	-	-	-	20	20	-

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of State, Iraq Reconstruction Management Office (IRMO) and USAID

**Changes from the July Report:** This report maintains the \$20 million allocation in this project code. Ministerial Capacity Building will be implemented by both IRMO and USAID.

**Accomplishments since the July Report:**

**IRMO**

- Awarded contracts for short-term NCD program in support of key cross-ministerial programs, such as English Language Training, Procurement & Budget Planning and

expertise in strategic planning for key ministries, as well as specific ministerial programs such as consultancy support to the Ministry of Electricity.

- Established a program, at the request of the Prime Minister, to provide subject matter advisory support to the Prime Minister's Office and the Council of Ministers Secretariat to assist in strategic areas.
- Completed assessment of key ministries and began analysis to identify the urgent and long-term cross-functional and specific ministerial capacity building needs.

## **USAID**

- Awarded and mobilized contractor personnel for the longer-term NCD Program. Initial activities were undertaken to improve the training capabilities of the Ministry of Planning and Development Cooperation's National Center for Consultancy and Management Development.

## **Accomplishments anticipated next quarter:**

## **IRMO**

- Continue contracting additional projects under the short-term NCD program in concert with the key ministries and the Prime Minister's Office.
- Coordinate the drafting of action and strategic plans for each key ministry.
- Implement the support of the Prime Minister's Legal Coordination Committee and Policy Advisory Unit.
- Begin activities for various programs, such as equipping the Prime Minister's new Media Center, conducting ministry-wide procurement and contracting reform trainings, and commencing implementation of Financial Management Information System (FMIS) modules for procurement, budget, and asset management.
- Continue defining, coordinating, and addressing capacity development initiatives with relevant Mission stakeholders such as USAID and DoD.

## **USAID**

- Complete assessment of National Center for Consultancy and Management Development (NCCMD). Develop a work plan for the NCCMD to address needs and commence implementation.
- Prioritize and address the immediate needs of regional training centers.

- Establish the strategic continuity of the overall USG National Capacity Development Program.
- Begin the Ministry by Ministry program to address urgent capacity building needs (in coordination with IRMO) and long-term capacity building needs.

### **Banking System Modernization**

**Project Code: 08000**

\$ millions	FY 2006 by Quarter								
2207 Report	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
July 2006	30	-	-	-	-	-	30	30	26
Change from July		-	-	-	-	-	-		+2
October 2006	30	-	-	-	-	-	30	30	28

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Departments of Defense and the Treasury

**Changes from the July Report:** This report maintains the \$29.1 million allocation for banking system modernization (Treasury) and \$900,000 allocation for cash payment operations (Defense).

### **Accomplishments since the July Report:**

- Facilitated achievement of a unified position between MOF, CBI, and Rafidain and Rasheed banks on draft MOUs and Action Plan for bank restructuring.
- Facilitated establishing a joint CBI/MOF Bank Restructuring Committee, which will be transformed into an independent Commission to oversee bank restructuring.
- Facilitated establishment of the Special CBI/MOF/State-owned Banks Official Debt Resolution Committee to inventory all official debts of the State in the books of the banks, ensure transparent accounting, and resolve any outstanding state obligations still appearing in the books of the banks.
- Attained agreement between the MOF and the banks to re-start money distribution to bank branches in areas of the country where security concerns had impeded distribution for several months. The first distributions recommenced during the week of October 15.
- CBI went live with the Real Time Gross Settlement (RTGS) system on August 24 and with the Automated Clearing House (ACH) system on September 14. These components of the Iraqi Payment System (IPS) are now being used by the CBI, the headquarters of Rafidain and Rasheed banks and the headquarters of three private banks.

- Representatives of the CBI, MOF, and state and private banks have met in Dubai for training on the FSRS (securities registry) and check processing components of the IPS.

#### **Accomplishments anticipated next quarter:**

- The individual MOUs and Bank Restructuring Action Plan will be approved and signed by all parties and submitted to the Council of Ministers for Parliament's approval in November or December.
- All banks currently participating in the IPS will connect the system to at least one branch in addition to their headquarters. Up to 15 additional banks will join the system using their own communications technologies. The World Bank will complete its review of the communications link between the CBI and the other private banks which will allow the system to expand. A short list of eight vendors for the communications component will be selected from over thirty who submitted bids.

#### **Human Rights**

**Project Code: 09500a**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	15	-	-	-	-	-	15	13	10
Change from July	-	-	-	-	-	-	-	+2	+2
October 2006	15	-	-	-	-	-	15	15	12

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agencies:** Departments of Defense and State, USAID, and USAID's Office of Transition Initiatives (USAID)

**Changes from the July Report:** This report maintains the \$15 million allocated to address the atrocities of the Saddam regime and create a climate for the promotion of fundamental human rights and dignity in Iraq.

#### **Accomplishments since the July Report:**

##### **State/Democracy, Human Rights and Labor (DRL)**

- Gathered over 4,500 detailed interviews ten to 100 pages long presenting detailed narratives with extensive information on violations, context, perpetrators, and subjective experience.
- Continued supervision and guidance of interviewers, especially those working in difficult environments including: Baghdad (and Sadr City), Diyala, Samawa, Hilla and Kirkuk.



- Performed preliminary analysis and compilation of reports in Arabic, Kurdish, and English on specific violations, patterns of violations, and case studies to provide an historical record of the impact of the repressive activities of the prior regime.
- Completed a series of seven two- to three-month train-the-trainer courses for 97 police and prison officials from Sulaymaniyah, Irbil, and Dahuk. The total cost was substantially less than most 3-day trainings held in Amman, Jordan.
- Prepared a human rights course to be taught at the University of Sulaymaniyah.
- Translated the DePaul University International Human Rights Law Institute Gender Justice book into Kurdish and published 800 copies for use in future trainings.
- Compiled a list of candidates to receive training on documentation and monitoring of human rights issues.
- Started working with Human Rights Without Frontiers (HRWF), on designing a training curriculum for the training of Iraqi NGOs on monitoring, documentation, and advocacy of human rights.
- Completed the editing of the Human Rights Trainer's Manual and Trainee's Handbook.

## **USAID**

- Project closed.

## **Accomplishments anticipated next quarter:**

### **State/Democracy, Human Rights and Labor (DRL)**

- Complete 7,000 to 8,000 detailed interviews.
- Enter 4,500 interviews into the secure Martus database.
- Complete preliminary analysis on three case studies from Kurdistan.
- Prepare materials for broadcast in Arabic and Kurdish on key radio stations that will reach an estimated 3-4 million listeners.
- Prepare preliminary materials for publication in Arabic and Kurdish newspapers.
- Complete prison and police training manuals in Arabic and Kurdish.
- Continue follow-up activities to ensure that those trained will work as trainers for local police and prison officials.

- Monitor pilot university human rights course at the University of Sulaymaniyah.
- Design and manage a six-week train-the-trainer workshop on gender justice and human rights in conjunction with a local NGO.
- Select candidates to attend the training and form the Human Rights Defenders Network (HRDN).
- Gather information from NGOs on current monitoring and advocacy experience and needs.
- Continue working with HRWF on designing the training program and make logistical arrangements to hold the training in Jordan.
- Disseminate preparatory reading materials to the candidates that will participate in the training and hold the one week-long training session in Jordan.
- Invite trained NGOs to participate, develop a mission statement and statement of values, and establish protocol and operating procedures for the HRDN (e.g., issues affecting privacy and security of information).
- Print and distribute the Human Rights Trainer's Manual and Trainees' Handbook.
- Continue holding human rights education workshops in cooperation with MoHR. Forty-nine human rights education workshops were completed thus far.
- Produce and broadcast 16 radio programs on basic education on human rights, addressing fundamental articles in the Universal Declaration of Human Rights and other international documents. The program will host human rights activists and experts to discuss such rights and their importance to ordinary Iraqi citizens.

## Education

**Project Code: 06300**

\$ millions	FY 2006 by Quarter								
	FY 04	FY 05	Q1	Q2	Q3	Q4	Total	Obligated	Outlayed
2207 Report									
July 2006	89	10	-	-	-	-	99	88	74
Change from July	-	-	-	-	-	-9	-9	+2	+11
October 2006	89	10	-	-	-	-9	90	90	85

NOTE: Obligation and Outlay Data is current as of September 30, 2006.

**Responsible U.S. Government Agency:** Department of Defense/GRD

**Changes from the July Report:** This report reflects a previous notification to Congress of the Administration's intent to decrease this project code by \$8.5 million, reallocating funds to Electricity Transmission (PC 41000) for the Tameem (Kirkuk) to Diyala transmission line project.

**Accomplishments since the July Report:**

- Awarded contract to an Iraqi contractor for school desks and related equipment in accordance with a plan coordinated with the Ministry of Education. (\$764,000).
- Awarded contract for the design and construction of a primary school in Al Doura Mahalla 848 (\$1.5 million).

**Accomplishments Anticipated next quarter:**

- Delivery of school furniture (desks and chairs).
- Complete delivery of computer lab furniture.
- Computer servers installed and EMIS use initiated.
- Begin design and construction of primary school in Al Doura.